

FINANCIAL TIMES

Weekend
FT

The
liquidity
machine

Page 1

Meet the model
in the designer
dress

Page IV

Okinawa's
saddest
memorial

Page III

The fight
to save
treasure island

Page XIV

World Business Newspaper

WEEKEND APRIL 1/APRIL 2 1995

D8523A

Bomb fears after Romanian Airbus crashes killing 59

All 59 people on board an Airbus A310 operated by Tarom, the Romanian state carrier, were killed when it crashed minutes after taking off from Bucharest's Otopeni airport in poor weather conditions. Witnesses said they had heard an explosion before the aircraft had crashed in a field 20km (12 miles) north of the village of Balotești. Picture, Page 22

French missile threatens \$1.6bn deal An agreement between Matra Defence and British Aerospace to create a 100-strong (4.6bn) missiles joint venture has run into a last-minute obstacle as the French government seeks assurances. Page 22

US economic growth slows down The US economy grew more strongly than expected at the end of last year but the growth rate has since decelerated, official figures indicated. Page 2

Japanese deregulation plan unveiled The Japanese government's five-year deregulation plan to restructure the domestic economy, was met with a chorus of complaints from disappointed business leaders and public figures. Page 3

Progress in fish disputes EU and Canadian officials reported steady progress in talks on the dispute over the allocation of a quota for Greenland halibut, in turn, in the disputed fishing grounds off the coast of Newfoundland. Page 2

UK prime minister unveils new agenda British prime minister John Major will launch a new Conservative agenda based on the party's "core principles", in an attempt to win back the support of middle-income voters in the run-up to next month's local election campaign. Page 22

Dollar slide undermines confidence

Confidence in currency markets following rate cuts by the Bundesbank this week was strongly challenged in London when the dollar resumed its slide. The FT-SE 100 Share Index fell more than 42 points, as marketmakers reacted to early morning losses in New York. The Footsie later rallied to a close of 3,377.9, for a net loss of 38.3 as the Dow Average also recovered to record a fall of 30 points in US trading hours.

Chirac criticises Balladur's records Jacques Chirac, the Gaullist French presidential candidate, attacked prime minister Edouard Balladur for his record on unemployment and called for a more ambitious job-creation policy. Page 2

Microsoft injunctions rejected A federal judge has rejected Apple Computer's request for a preliminary injunction against Microsoft to halt shipments of its Video for Windows program. Page 7

Alcatel to rescue Euronews Alcatel Alsthom, the embattled French industrial group, is racing to the rescue of Euronews, the loss-making European television news channel. Page 3

Dutch insurer lifts profit Dutch insurer Aegon, posted a 14.6 per cent increase in 1994 net profit and predicted a rise of 7 and 12 per cent for 1995. Net profit rose to Fl 1.15bn (745m) from Fl 1bn a year earlier. Page 7

US Senate backs logging changes The US timber industry is hoping for a quick boost to logging in federal forests after the Senate backed the felling of dead, diseased and fire-damaged trees without the usual environmental checks. Page 3

Jardine Matheson up 16.4% Jardine Matheson, the Hong Kong conglomerate controlled by the Keswick family, announced a 16.4 per cent rise in net profits to US\$452.6m in the year to end-December from \$338.2m. Page 7; Lex, 22

Lebanese fire rockets into Israel: Israeli helicopters attacked three south Lebanon villages controlled by the pro-Iranian Hezbollah after rockets fired from the area hit villages in northern Israel killing one person and wounding nine.

Cantona escapes jail Manchester United footballer Eric Cantona won an appeal against a two-week jail sentence imposed after an attack on a spectator in January. A judge ordered him to do 120 hours of community service.

Companies in this issue

Abbey National	8 Kepak
Aegon	7 Long Term Credit Bank
Aibus Industrie	2 Lyonnaise des Eaux
Alcatel Alsthom	2 Macallan-Glenlivet
Alico Standard	6 Marwell
Anzca	3 Metra
Apple	7 Microsoft
Ayrshire Mead	7 National Westminster
BP	7 Northern Electric
Bardon	7 Northumbrian Water
Bayerische Vereinbank	6 Omanoil
Bearsted Business	7 Proudfit
Beecham	22 Queen's Moat Houses
British Aerospace	22 Rutherford
British Land	1 Scottish & Newcastle
British Telecom	7 ScottishPower
Calor	7 Southern Business
Carillion (Horse)	6 Specialty Shops
Denka Business	7 TBS Range
Delltron 'Le Lion'	7 Telecom Italia
Dresdner Bank	6 Tokyo Kyowa
Farnell Electronics	7 Transfar House
GBS Int'l	7 Traveltex
Jardine Matheson	6 Union Int'l
Johnson Fly	6 Universal Ceramic
Keller	7 Yorkshire Water
Kelt Energy	

For customer service and other general enquiries call:

Frankfurt
(69) 15685150

Russia set for pact with banks on sell-offs

By Chrystie Freeland and John Thornhill in Moscow

The Russian government has given preliminary approval to a controversial plan for a consortium of Russian banks to take over the management of the government's stake in many leading companies.

In exchange, the banks would lend the government money to cover its budget deficit, in an ambitious plan which could have a wide-ranging impact on the shape of Russia's economy.

The proposals, approved by the cabinet on Thursday, ran into strong criticism yesterday from some liberals within the government and from business leaders not included in the bankers' consortium. They said the plan threatened to give a clique of government officials and their chosen bankers a stranglehold over the economy and exclude outsiders such as western investors.

The banks involved all have close links with the government.

The enterprises they are seeking to control number some of Russia's leading companies including Gazprom, the gas company, all of the nation's oil companies, Norilsk Nickel, the world's largest nickel producer, Rostelecom, the telecommunications operator, and UES, the electricity monopoly.

"This proposal shows that strong banks and weak enterprises together want to set up an oligarchy in the Russian economy," said Mr Kaka Bendumzov, one of Russia's leading private venture capitalists. "This is a very dangerous proposal.

Instead of the banks

from the government through it drives them in closer."

But aside to Mr Victor Chernomyrdin, the conservative prime minister, insisted the proposals would benefit Russia. "This proposal is in Russia's interests - Russian money should come first and foreign investment after

wards," the prime minister's spokesman said.

Mr Mikhail Zadornov, the chairman of the parliament's budget committee, said: "A battle around this issue is raging within the government, a battle of rival interest groups."

According to a source who attended the cabinet meeting where the proposal was first broached, Mr Oleg Soskovets, Russia's hardline first deputy prime minister who has close ties to the defence sector, strongly backed the plan. No one openly opposed it, though some liberal officials are thought to have strong reservations.

Mr Chernomyrdin asked the bankers to come back to the government with more details in two weeks.

The bankers' consortium is thought to unite as many as eight of Russia's most powerful banks, including Imperial, Menatep, Oneximbank, Stolichny and Inkombank, which all have intimate ties with the government.

For example, Imperial bank, which is one of Russia's leading financiers of the oil and gas sector, is part owned by Gazprom, the monopoly natural gas exporter that was managed by Mr Chernomyrdin before he became prime minister.

The bankers would control the management and the profits of the companies for a fixed period of perhaps five years. They see their proposal as an alternative to the government's selling shares in key state enterprises.

The government was intending to raise R9,100m (\$1.5bn) through the share sales but some officials expressed fears that in Russia's infant capital market the treasury is unlikely to obtain their full value. The bankers' idea could be attractive because, in theory, it would allow the government to postpone the sale of its stake but, at the same time, receive loans from the consortium to help cover the budget deficit.

The modifications, proposed by Mr Don Cruickshank, director-general of Ofel, the telecoms watchdog, are designed to speed up the introduction of number portability, which enables a residential or business customer to keep the same telephone number when changing operators.

Having to change numbers

is known to deter subscribers from switching their operator, even

if lower call charges are offered.

Mr Cruickshank said yesterday: "I am disappointed that BT has not been able to accept the licence modification that I have proposed for number portability in so far as it concerns how the costs of portability are to be borne."

The modifications, proposed by Mr Don Cruickshank, director-general of Ofel, the telecoms watchdog, are designed to speed up the introduction of number portability, which enables a residential or business customer to keep the same telephone number when changing operators.

These include the separation for accounting purposes of BT's businesses and customers should pay the costs of providing it.

Significant costs are incurred in modifying networks and

Continued Page 22

Insect lessons for programmers, Weekend 2

Continued on Page 22

Siren voices, Page 3; Editorial

Comment, Page 10; Currencies, Page 12; World stocks, Page 17; Lex, Page 22

Continued on Page 22

Our reputation as an

investment award winner

Just keeps on building.

Best Large Offshore Group Overall for 1994: Murex

Best Offshore Equity Manager Overall for 1994: Alcapol

Specialist Unit Trust Management Group for 1994: What Investment

Best Offshore Investment Group Overall for 1993: Murex

Offshore Fund Management Group of the Year for 1993: Invesco International

Best Offshore Fixed Interest Manager Overall for 1993: Murex

Best Performing Medium Sized Unit Trust Group over 1 Year for 1993: The Sunday Telegraph

Best Large Offshore Group Overall for 1992: Murex

Best Offshore Investment Group Overall for 1991: Murex

Offshore Fund Management Group of the Year for 1991: Invesco International

For a copy of Centum Flight's Fact Sheet book covering our range of currency-based funds, complete the coupon, call (44) 141 712176 or contact your financial adviser.

Investor Services Department, Centum Flight, Fund Manager

(Greece) Limited, Colmore Row House, PO Box 250, 51 Peter Place,

Grosvenor Gardens, London SW1X 8JL, Tel: (44) 141 712176; Fax: (44) 141 712065

Please send me details of your currency-based funds.

Name: _____

Address: _____

City: _____

Country: _____

Postcode: _____

Telephone: _____

Fax: _____

Telex: _____

E-mail: _____

Signature: _____

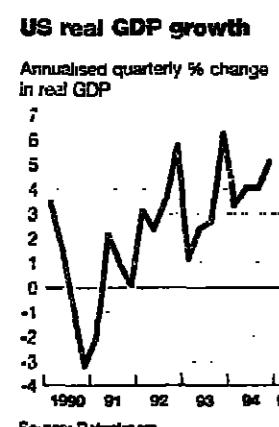
Date: _____

Postcode: _____

City: _____

Country: _____

NEWS: INTERNATIONAL



Générale Occidentale comes to aid of loss-making TV news channel

Alcatel arm takes Euronews stake

By John Riddings in Paris

Alcatel Alsthom, the embattled French industrial group, is riding to the rescue of Euronews, the loss-making European TV news channel and the continent's intended answer to CNN of the US.

Euronews said yesterday that Générale Occidentale, the media arm of Alcatel Alsthom, is to take a 34 per cent stake in the channel as part of a capital increase. The size of the investment was not disclosed, but it is thought to be more than FF100m (£12.6m).

For Euronews, based in the outskirts of Lyons, the agreement marks the end of its hunt for a private-sector investor to stand alongside existing shareholders from the ranks of Europe's public broadcasters. The capital increase

should secure the future of the channel and provide resources for development.

For Alcatel, the investment represents a further step in its strategy of expansion into the media field. Générale Occidentale already owns a cable television network in Switzerland and several magazines, such as *Le Point* and *L'Express*.

The channel, available to more than 70m homes via satellite and cable, has struggled since its launch at the beginning of 1988. Tough competition and the failure to secure adequate advertising have led to losses of FF135m last year.

Advertising revenues have been limited partly as a result of the channel's formula, in which news images are broadcast with commentaries in five different languages.

The deal reflects the continuation of business as usual at Alcatel, despite the impact of corruption investigations which have shaken the group and deprived it of its chairman, Mr Pierre Stuard. The Alcatel chief was last month barred from exercising his functions at the company by an investigating magistrate heading an inquiry into allegations that the transport, telecoms and engineering group overhauled France Telecom. Mr Stuard, who has been placed under investigation in the case, denies any wrongdoing and is appealing against the ruling.

Alcatel yesterday declined to discuss details of the investment in Euronews. The channel said, however, that the 17 public service TV companies which own it had unanimously agreed the

deal. Under the terms of the agreement, Générale Occidentale is to take an initial 49 per cent stake, which will be reduced to 34 per cent through the sale of shares to other companies.

Editorial independence is to be ensured through the maintenance of two separate organisations within Euronews. The editorial company, SECREME, will remain under full control of public service TV channels and will retain responsibility for the content of broadcasts.

Euronews said the capital increase would provide resources to strengthen the marketing and distribution of the channel. "Among the projects being examined are the further commercialisation of the channel outside Europe," it said in a statement.

Economic growth slowing in US

By Michael Prowse
In Washington

The US economy grew more strongly than suspected at the end of last year but the growth rate has since decelerated, official figures indicated yesterday.

The Commerce Department said that real gross domestic product grew at an annualised rate of 5.1 per cent in the fourth quarter, rather than 4.6 per cent as previously estimated.

Final sales grew at an annualised rate of 5.7 per cent.

The upward revisions mainly reflected higher estimates of net exports and business fixed investment.

Separate figures, however, showed a 0.2 per cent decline in factory orders in February, the first drop recorded in four months.

The Chicago purchasing managers' index of business conditions fell sharply to 55.0 per cent in March against a figure of 62.7 per cent in February, suggesting the national purchasing survey, due next week, may show further signs of moderating growth in manufacturing.

The University of Michigan consumer sentiment index also fell to 90.3 in March, against 95.1 in February, in contrast to earlier data from the New York Conference Board showing a gain in confidence in March.

The figures were published as the dollar fell sharply on foreign exchange markets despite the half-point cut in German interest rates announced by the Bundesbank on Thursday.

The dollar's weakness unsettled domestic financial markets. By midday the Dow Jones Industrial Average was down 18.33 at 4,154.23. The benchmark long bond was down half a point to yield 7.45%.

Rapid growth in the fourth quarter marked the 15th consecutive quarter of expansion since the 1990/91 recession. Growth this quarter is widely expected to decline to about 2.5 per cent at an annualised rate.

Although the GDP figures are seasonally adjusted, similar slowdowns occurred in the first quarters of 1993 and 1994. In each case, growth later rebounded.

The Federal Reserve this week opted not to raise short-term interest rates, which are currently at 6.0 per cent, despite the dollar's weakness, because officials judged growth was slowing in lagged response to previous rate increases.

Economists, however, are divided on the likely extent and duration of any slow down.

Some recent figures, such as those in the Johnson Redbook retail survey, suggest consumer spending may already be rebounding.

Mr David Jones, chief economist at Aubrey G Langston, the New York broker, said he expected growth to rebound in the second half to an annualised rate of 3.5-4.0 per cent, making further rate increases likely.

THE FINANCIAL TIMES
Published by The Financial Times (Trottel
GmbH), 30 Holstenstrasse, D-20118 Frankfurt
am Main, Germany. Telephone: ++49
69 156 820. Fax: ++49 69 4481. Telex
41192. Registered in Berlin by the Federal
Office for Registration of Businesses by
Wolfgang Winkler, Berlin. Copyright A.
Kannard as Geschäftsführer and in London
by David C.M. Bell, Chairman, and
Alan C. Miller, Deputy Chairman. Share
holders of The Financial Times (Europe)
GmbH, The Financial Times (Europe) Ltd,
London, Shareholder of the
above mentioned two companies, is The
Financial Times Limited, Number One
Southwark Bridge, London SE1 4HL.
GERMANY:
Responsible for Advertising: Colin A. Ken
and Prater; DVM Druck-Vertrieb and
Marketing GmbH, Admiral-Rosenblatt-
Strasse 10, D-8000 Munich 2. Tel: 089 511
99-100. Responsible Editor: Richard Lamb
The Financial Times Limited, Number One
Southwark Bridge, London SE1 4HL.
FRANCE:
Publishing Director: D. Groot, 168 Rue de
Rivoli, F-75044 Paris Cedex 01. Telephone
(01) 4297-0621. Fax: (01) 4297-0629.
Printer: S.A. Nord-Est, 1521 Rue de
Clermont, 69130 Villeurbanne. Adm. Director:
Richard Lambert. ISSN 1143-7253. Com
mission Paritaire No 6700010.
SWEDEN:
Responsible Publisher: Hugo Carnegie, 408
618 608. Printer: AB Västsvensk
Kommunikation, PO Box 9387, S-513 06, Jon
koping.
© The Financial Times Limited 1995.
Editor: Richard
Lambert.
The Financial Times Limited, Number
One Southwark Bridge, London SE1 4HL.

No survivors after Tarom Airbus comes down in field near Bucharest airport

Fifty-nine killed in Romanian air crash

By Virginia Marsh
in Budapest and Michael
Skapinker in Toulouse

An Airbus A310 operated by Tarom, the Romanian state carrier, crashed yesterday, killing all 59 people on board, in the worst aviation accident in the airline's history.

The Brussels-bound aircraft crashed in a field 20km north of Bucharest's Otel airport, where it had taken off minutes earlier in poor weather conditions. Witnesses in Balotesti told Romanian radio they had heard an explosion before the jet fell out of the air and crashed near the village's railway station.

Tarom said it was grounding its other two A-310s until the causes of the accident were known.

Airbus Industrie, the European aircraft consortium said from its headquarters in Toulouse, France, that it was sending a team of six investigators to assist the Romanian authorities in their investigation. The Airbus team will be joined by specialists from the French accident investigation bureau.

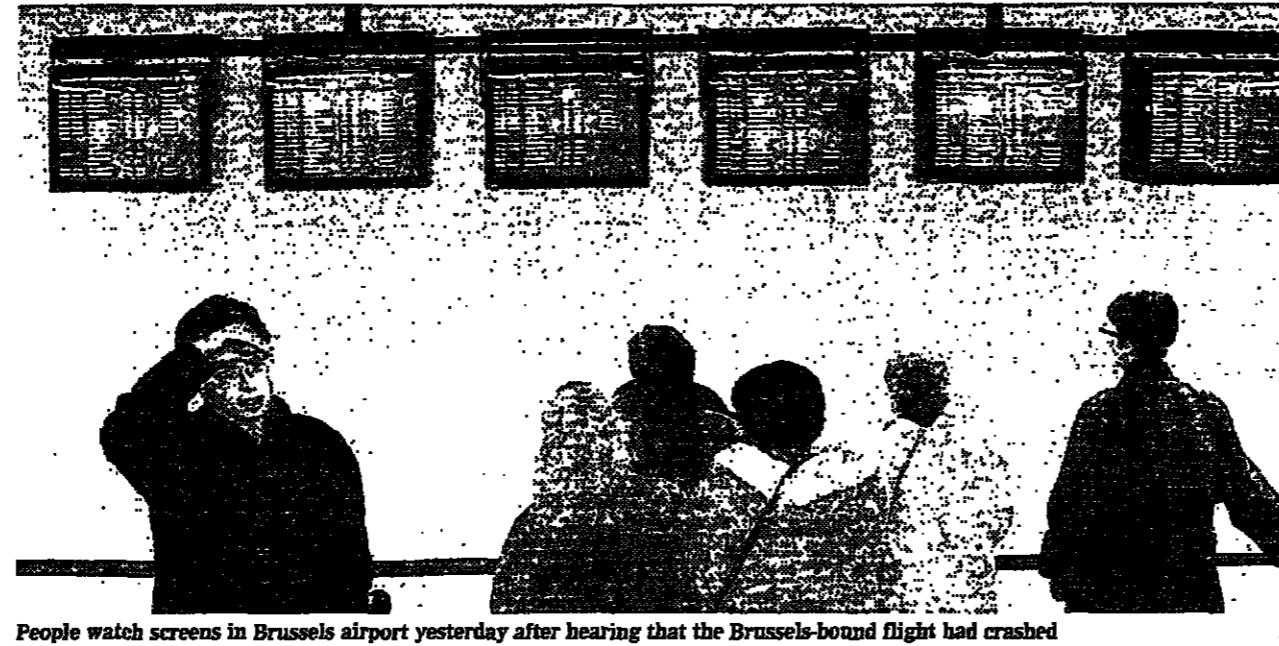
The Federal Reserve this week opted not to raise short-term interest rates, which are currently at 6.0 per cent, despite the dollar's weakness, because officials judged growth was slowing in lagged response to previous rate increases.

Economists, however, are divided on the likely extent and duration of any slow down.

Some recent figures, such as those in the Johnson Redbook retail survey, suggest consumer spending may already be rebounding.

Mr David Jones, chief economist at Aubrey G Langston, the New York broker, said he expected growth to rebound in the second half to an annualised rate of 3.5-4.0 per cent, making further rate increases likely.

THE FINANCIAL TIMES
Published by The Financial Times (Trottel
GmbH), 30 Holstenstrasse, D-20118 Frankfurt
am Main, Germany. Telephone: ++49
69 156 820. Fax: ++49 69 4481. Telex
41192. Registered in Berlin by the Federal
Office for Registration of Businesses by
Wolfgang Winkler, Berlin. Copyright A.
Kannard as Geschäftsführer and in London
by David C.M. Bell, Chairman, and
Alan C. Miller, Deputy Chairman. Share
holders of The Financial Times (Europe)
GmbH, The Financial Times (Europe) Ltd,
London, Shareholder of the
above mentioned two companies, is The
Financial Times Limited, Number One
Southwark Bridge, London SE1 4HL.
GERMANY:
Responsible for Advertising: Colin A. Ken
and Prater; DVM Druck-Vertrieb and
Marketing GmbH, Admiral-Rosenblatt-
Strasse 10, D-8000 Munich 2. Tel: 089 511
99-100. Responsible Editor: Richard Lamb
The Financial Times Limited, Number One
Southwark Bridge, London SE1 4HL.



People watch screens in Brussels airport yesterday after hearing that the Brussels-bound flight had crashed

Airbus said it had no information on what might have caused the accident, but it firmly defended its safety record, saying it compared favourably with that of other aircraft makers.

The consortium said it had suffered nine fatal crashes since its first aircraft, the A300, entered service in 1974. There have been two previous crashes involving A310 aircraft, which carry up to 220 passengers and which first entered service in 1983.

Since 1988, there have also been four crashes involving

Airbus' 150-seat A320 aircraft. The consortium said yesterday that investigators had not held any hearings since the aircraft design responsible in any of its accidents.

The victims in yesterday's crash include Belgians' consul to Romania, a second Belgian diplomat and 30 Belgian citizens.

The crash is the first involving a civilian aircraft in Romania since 1989.

The aircraft, which was powered by Pratt & Whitney PW4000 engines, had made 6,220 flights over 31,000 hours since it first entered service.

Tarom ruled out pilot error as a reason for the crash. Last September, another Tarom-operated Airbus nose-dived and nearly crashed over Paris, in an accident blamed on a mis-take by the pilot.

The aircraft in yesterday's accident entered service in the US in 1987. After it had been used by several US carriers, Tarom bought it in April last year. The aircraft, which was powered by Pratt & Whitney PW4000 engines, had made 6,220 flights over 31,000 hours since it first entered service.

INTERNATIONAL NEWS DIGEST

Progress in talks on fishing row

European Union and Canadian officials yesterday reported steady progress in talks on the dispute over allocation of a quota for Greenland halibut, or turbot, in the disputed fishing grounds off the coast of Newfoundland. In a series of meetings, officials from both sides continued to work on a settlement over the quota allocation, stricter enforcement measures, and officials appear committed to finding a negotiated settlement to end the dispute, which has seen Canadian authorities take action against Spanish trawlers in the Grand Banks fishing grounds. "We are on a very positive wave at the moment and hope we can reach agreement," a Commission official said. But a Canadian official said neither side was "ready to announce anything in the next little while".

In Madrid, the Spanish cabinet voted yesterday to keep two patrol ships in the disputed fishing grounds until the conflict with Canada is over. A third naval ship will probably set out on Monday to relieve one of the two already patrolling the Grand Banks area. In Ottawa Mr Brian Tobin, Canada's fisheries minister, said broad agreement had been reached on some issues. "They have made progress on the question of conservation and equally as important on the question of enforcement," he said.

The Commission official said it appeared Canada would accept an EU proposal that in the longer term satellite tracking could be used to bolster enforcement measures. But he added that a final solution could only be reached in the multi-lateral forum of the Northwest Atlantic Fisheries Organisation. *Caroline Southery, Brussels*

Three Austrian ministers resign

Austrian politics was thrown into turmoil yesterday when three veteran ministers quit the cabinet. At a hastily convened press conference, Chancellor Franz Vranitzky announced the resignations of Mr Franz Leeschmank, interior minister, Mr Josef Hesoun, social affairs minister, and Ms Johanna Dohnal, minister for women's issues. All three were members of the Social Democratic Party, the senior partner in the governing coalition. The resignations came only two days after Mr Ferdinand Laczina, finance minister, said he would step down. Mr Leeschmank, a hardliner on immigration policy, and Mr Hesoun, a former trade union official, stepped down voluntarily, but Ms Dohnal was forced to resign in the wake of her outspoken criticism of recent social spending cuts. Mr Vranitzky said he will announce new appointments over the weekend. Mr Vranitzky had been considering a cabinet reshuffle for several weeks but his hand was forced by the sudden resignation of Mr Laczina. Yesterday's events appeared to further weaken the chancellor's hold on power. He has been under pressure since last October, when the coalition of Social Democrats and Conservatives suffered massive losses at parliamentary elections. *Eric Frey, Vienna*

Croats say it's all in the name

Diplomats yesterday raced against the clock to overcome Croatian government objections to the name of a United Nations peacekeeping mandate, before it expired at midnight last night. The Croatian government yesterday warned it will not agree on a mandate for some 3,000 UN troops unless the new mission includes the name Croatia. On Thursday it rejected a proposed name of UN Confidence Restoration Operation, insisting that the words "in Croatia" were added to the title. UN officials were dismayed by the furore over the name saying it obscured more serious problems in the new mandate. They reported growing tensions in Serb-held areas and along the more than 1,000km of front-lines in Croatia, where the 12,000-strong UN force currently is deployed. "Despite the tantrums and antics, the issue must be resolved. I suspect the Croats will get their way," a UN official said yesterday. *Laura Silber, Belgrade*

Tapie bankruptcy ruling upheld


The political future of Mr Bernard Tapie (left), the colourful French businessman and left-wing MP, was put in further doubt yesterday by an appeal court ruling in Paris upholding a judgment that he is bankrupt. The court agreed with an order made against him last December rendering him and four of his companies bankrupt with debts to Credit Lyonnais and the tax authorities of more than FF1.2bn (£150m) against assets of perhaps FF300m. A bankruptcy ruling in theory carries an automatic five-year ban from running for political office in France, which would prevent Mr Tapie from standing as a candidate for mayor in his adopted city of Marseille. Mr Tapie stressed yesterday that he intended to fight the ruling, which must now go for a decision to the Ministry of Justice and can yet be overturned by the Cour de Cassation, which could then trigger a new appeal hearing. Yesterday's ruling was only the most recent move in a long-running series of legal battles which Mr Tapie is fighting to defend both his personal and business affairs. *Andrew Jack, Paris*

Denmark's GDP growth 4.5%

Denmark's real gross domestic product increased by 4.5 per cent in 1994, the fastest growth rate for 10 years, according to the official Statistical Office. Private consumption soared by 7.1 per cent, the biggest increase since 1976. Investment was ahead by 3.6 per cent, exports by 6.9 per cent and imports by 10.9 per cent. Despite the rapid recovery, employment increased by only 0.3 per cent, partly because productivity per employee increased by 1 per cent for the total economy and by 7.5 per cent in manufacturing. *Hilary Barnes, Copenhagen*

More potential for corruption

Political parties' rising need for funds has increased the potential for corruption in industrialised countries, according to Transparency International, an international pressure group. In its first annual report, published today, the group says the rising cost of fighting election campaigns has meant political parties in many countries have gone out of their way to solicit donations from businesses. In many cases the companies expect favours in return. An unfortunate development, according to the Berlin-based group, is that in paying "kickbacks", many European businesses are now doing at home what for many years they have practised when operating in the developing world. *Peter Marsh, London. 1994 annual report from Transparency International, Helstrasse 33, D-1025 Berlin, Germany*

Corsican football convictions

A Corsican court yesterday convicted eight people in connection with the collapse of a football stadium on the island in 1992 which killed 17 people and left more than 2,000 injured. The *tribunal de grande instance* in Bastia sentenced Mr Jean-Marie Boimond, responsible for building the stadium, and Mr Michel Lorenzi, former director of the Bastia football club, to two years in prison and fines of FF30,000 (£5,789). Mr Bernard Rossi, a safety inspector, and two directors of the island's football league club, Mr Etienne Gallozzi and Mr Ange Paolacci, were each sentenced to 18 months in jail and a FF30,000 penalty. Mr Noel Bartolini, another director, received a one-year sentence and FF30,000 fine, and two officers of the French football association, Mr Luc Pilar and Mr Michel Cagnion, received 18-month suspended sentences. The verdicts followed an emotional trial in January triggered by the collapse of the stadium at Furiani in May 1992. *Andrew Jack, Paris*

Industry criticises Stockholm

By Christopher Brown-Humes
in Stockholm

Twenty-two of Sweden's leading businessmen attacked the Social Democratic government with legal action if it did not act to end alleged discrimination against Italy's second mobile telephone operator.

Their criticism came as the krona plunged to a new low of SKr5.38 against the D-Mark, the swift end to the respite gained on Thursday when the Bundesbank lowered its interest rates.

In a letter to Mr Ingvar Carlsson, the prime minister, the industry leaders urged the government to do more to tackle the country's rising debt, which is almost 90 per cent of gross national product.

"There is a paralysis in decision-making which can be fatal for the upturn in the economy," they said. "In our international contacts we can see a strongly growing lack of confidence in Sweden."

Signatories to the letter included Mr Peter Wallenbergs, the head of the Wallenbergs business empire; Mr Soren Gyll, chief executive of Volvo; and Mr Lars Banqvist, chief executive of the Ericsson telecommunications group.

The government has announced tax rises of SKr4.6bn (£3.4bn) and spending cuts of SKr5.6bn. But rising interest rates and the weakening krona have increased calls for tougher measures to cut a budget deficit of nearly SKr200bn.

Neither company would comment yesterday about the

NEWS: UK

Reprieved anti-fraud agency to expand

By John Mason,
Law Courts Correspondent

Britain's Serious Fraud Office is to be given an expanded role in the fight against white-collar crime, the government confirmed yesterday.

The SFO will remain as the spearhead organisation combating fraud in the UK, and will be enlarged over the next few years, Sir Nicholas Lyell, the attorney-general, announced in the House of Commons.

The office will take over many of the cases now handled by the Crown Prosecution Service's fraud division, a move that could see its budget and

staffing increase by at least 50 per cent and possibly even 100 per cent.

The attorney-general's decision, which amounts to a solid endorsement by ministers of the investigation and prosecution agency, follows 18 months of uncertainty in which the future of the SFO has been the subject of two official reviews.

The reviews were announced in October 1993 after a spate of bad publicity over the performance of the SFO.

His decision was welcomed by Mr George Staple, the SFO director, who said it represented an important vote of confidence in the office. "The conclu-

tion is that the SFO is getting it right," he said. Mr Staple admitted that an enlarged SFO would still suffer setbacks in future prosecutions, but insisted that it should be judged on its overall record, which was "a reasonable one".

The review body identified failings in the way the SFO and CPS have operated in the past. The different approaches of the two bodies had produced results that were difficult to justify and resulted in weaknesses in the fight against fraud, it concluded.

It added that the SFO and CPS fraud division should remain sepa-

rate, but made a number of recommendations including:

- Clearer criteria for deciding which organisation should handle cases with the threshold for SFO taking on cases being reduced from £5m (£3m to £1m).
- Discussions between the SFO and police to improve relations and reach clear agreement about working practices.

• Improved liaison and co-ordination between SFO and CPS.

Mr Staple conceded that relationships between the SFO and police had not always worked as they should. This would now be the subject of substantial discussions, he said.

UK NEWS DIGEST

Cut on betting levy will aid Lottery rivals

The government moved to cut the betting levy on football pools - the weekly form of betting on predicted scores - to help the industry compete with the increasingly successful National Lottery. An amendment to the finance bill to be debated next week will seek to cut the levy from 37.5 per cent to 32.5 per cent - a move which in a year will cost the government £30m (£45m). In return the government says the pools companies have agreed to maintain their voluntary contributions to the Foundation for Sport and the Arts. The lottery pays 12 per cent betting duty and gives 28 per cent to good causes. The pools pay 37.5 per cent in duty, plus 5 per cent plus 50 in every £1.05 towards sport and the arts. The Sp element is a voluntary donation to Sport and the Arts.

Nine out of every 10 adults has bought a National Lottery ticket since the launch in November. Total sales for the lottery, which is run by the Camelot consortium, have reached £1.1bn. *Jim Kelly, Accountancy Correspondent*

Railway safety costs attacked

Safety on the British railway network could be provided for a third of the cost of the £750m (£1.2bn) automatic train protection system rejected by the government, a leading manufacturer of signalling equipment said yesterday. GEC-Alsthom, the Franco-British engineering group, said it could provide a system which would prevent 90 per cent of accidents for just £270m. The company said it was working on a simplified version of a full ATP system in use on Belgian railways which it thought could be ready within a few months.

ATP is a system which overrides the driver if he passes a red light, exceeds speed limits or approaches station buffers too fast. The system being considered by the government involved continuous monitoring of a train's performance, but the GEC-Alsthom system would only monitor the train as it approached a signal. "This would be much simpler to manufacture and to install and could be fitted throughout the railway network within five years," GEC-Alsthom said. *Charles Batchelor, Transport Correspondent*

\$12.8m respirator deal agreed

Avon Rubber, the Wiltshire-based company, has won an order worth more than £8m (£12.8m) to supply all of the Dutch armed forces with respirators. The respirator, the FM12, provides protection against chemical and biological agents and, with an internal drinking device, can be worn for more than 24 hours at a time under combat conditions. It is a derivative of Avon's \$10 respirator which is supplied to the British armed forces and was used in the Gulf war.

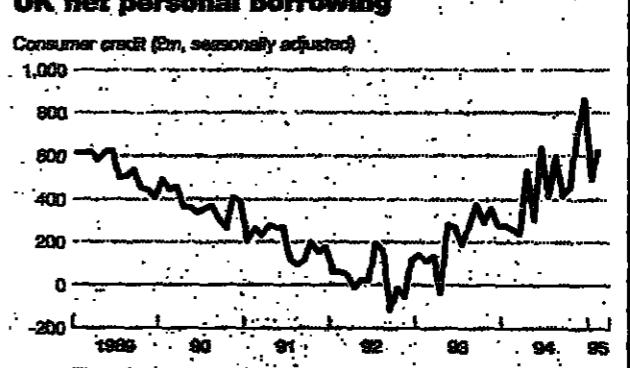
The contract, signed yesterday, was won in competition with Canadian, Swedish and Swiss manufacturers and is the biggest export order yet for the FM12. The mask is made by Avon's subsidiary Avon Technical Products in south-west England, and is already supplied to the Danish and Norwegian armed forces. *Roland Adelburgh, West Country Correspondent*

Consumer credit increases

Consumers stepped up their borrowing in February, using credit cards to buy last-minute bargains in the sales and items from new spring ranges. Lending to consumers rose by a net £601m (£961.6m) in February compared with an increase of £527m in the previous month, says the Bank of England, the UK central bank. This was a stronger rise than most City of London economists had expected. The January figure was also revised up from last month's initial estimate.

The figures suggest that relatively low interest rates have encouraged people to borrow more even though the pace of spending in the shops has slackened in recent months. February

UK net personal borrowing



ary's increase in consumer credit corresponded to a 1 per cent rise in the month after adjusting for normal seasonal changes. This took the annual growth rate of consumer borrowing to 12.1 per cent although this underestimates the pace of expansion in the past few months. Consumer credit has been expanding at an ever-increasing rate since the autumn of 1992 when the annual rate of increase stood at around 1 per cent. The amount of consumer credit outstanding now totals just less than £58bn. *Robert Chote, Economics Correspondent*

Cantona escapes jail: Manchester United's French international soccer star Eric Cantona yesterday had his two-week jail sentence quashed by a London judge. Cantona, 28, will instead have to perform 120 hours of community service after being convicted of assaulting a Crystal Palace supporter during a match in January. After the court hearing, Cantona made just one remark to the press: "When seagulls follow a trawler, it is because they think sardines will be thrown into the sea."

Bequest hangs in the balance: Mrs Una Widgery, who died earlier this year aged 80, has offered to make a £10,000 bequest to her tiny village of Combe Martin for the benefit of local charities. But the windfall will happen only if the council agrees to replace a replica gallows she had erected in 1988.

Ex-chairman of company widens document search to include Iraq

Minister wins more support for denial of Iran arms allegation

By Jimmy Burns

Mr Jonathan Aitken, a junior finance minister, yesterday received further support for his denial of allegations that, as a director of the arms company BMARC, he was implicated in the sale of naval guns to Iran in alleged breach of a British government embargo.

The minister's version of events surrounding BMARC's involvement in the alleged arms deal - codenamed Project Lisi - was backed by Mr Christopher Gumbley, a director of BMARC at the time and former chief executive of Astra Holdings, its parent company.

Mr Aitken has been accused this week of having knowledge about this [Project Lisi] and that is totally untrue," Mr Gumbley said yesterday. "He did not have any knowledge of it, or the fact that the contract may have been destined for Iran."

Mr Aitken belongs to one of Britain's most famous political dynasties. He is a great-nephew of Canadian-born Max Aitken. Aitken, who became one of the most famous British press lords, is better known by his title of Lord Beaverbrook.

The Daily Express proprietor was also minister for aircraft production in Winston Churchill's wartime government.

Mr Gumbley yesterday contradicted the assertion made by Mr Gerald James, the former Astra chairman, that it was "common knowledge" among directors of BMARC that weapons manufactured by the company were going to Iran.

But the controversy surrounding BMARC may be refuted by additional company documents, relating to Iraq, which have been requested by Mr James from Coopers & Lybrand, administrative receivers to Astra. Similar documents have been requested by Sir Richard Scott, the judge leading the inquiry ordered by the British government into sales of weapons to Iraq.

Coopers & Lybrand said yesterday it was considering the latest request from Mr James that all documents relating to Astra's affairs should be made



Dynamic span: the first Lord Beaverbrook (top left) arrived in Britain from his native Canada more than 70 years ago. His best known descendants today are Jonathan Aitken (right) and his sister Maria, a successful stage actress who appeared in the hit comedy film, *A Fish Called Wanda*

Mr John Major, the prime minister, gave Mr Aitken strong support in the House of Commons. Speaking after a Labour MP had called on Mr Aitken to resign, Mr Major said: "He has made his position absolutely clear. No evidence has been found to counter that either by The Independent newspaper [which published the original allegations] or by anyone else." To cheers from Conservative

MPs, Mr Aitken said: "At no board meeting of the company I was on the board of seven years ago - and in no board paper of that company - was I ever given the slightest indication or information that could suggest that the company might subsequently result in components being shipped to Iran."

James include those seized by the Ministry of Defence police between May 1990 and February 1991 during a government investigation into Astra's affairs.

As a result of the investigation, Mr Gumbley was arrested and charged with corrupting a Ministry of Defence official. Mr Gumbley was released after serving a nine-month jail sentence.

Coopers & Lybrand said yesterday that the documents seized by the MoD police were returned to Astra's administrators in June 1991 with a letter saying they might be requested by the Scott inquiry.

But until this week, Sir Richard Scott was apparently unaware such documents existed.

Toasts of the Tories, Page 10

Tory party wounds over EU 'healed'

By John Kampfner
at Westminster

Mr Douglas Hurd, foreign secretary, made a vigorous defence last night of British diplomacy and said Conservative divisions over Europe had been resolved.

Speaking at a Conservative Central Council dinner, Mr Hurd said that, unlike the opposition Labour party, the governing party had debated policy on the European Union "out in the open".

"It has been a painful business, but the result is clear," he said. "Labour's rows and ructions are still ahead. We

have achieved a balance which the overwhelming majority of Conservatives can support."

The reluctance of other cabinet ministers to mention Europe in their speeches yesterday suggested, however, that such professions of unity may be premature.

Referring to last week's conference on British foreign policy, Mr Hurd said the diplomatic service was not hidebound by tradition. Some 500 jobs had been cut back in London to pay for 100 extra diplomatic officers overseas.

"Modernising does not mean giving up the few historic buildings we own and retreat-

ing to suburban villas," Mr Hurd said. "We are not pretending to be grander than we are, but I do not intend our country to be represented in a shoddy or second-rate way."

Mr Jeremy Hanley, chairman of the Conservative party, yesterday contrasted the middle-class upturning of Mr Tony Blair, leader of the opposition Labour party, with that of Mr Cedric Brown. Mr Brown is the chief executive of British Gas whose salary rise recently aroused much public fury over pay for "fat cats".

"What kind of perverse set of priorities leads a public school-educated party

leader to savage the salary of a man who left state school at 16, joined a company, took a pick and shovel and worked himself up to the top?" Mr Hanley asked.

He was speaking at a meeting of the Conservative Council, a gathering of party activists held to mark the start of campaigning for elections in municipal authorities.

But the star of the show was

Mr Michael Retsilini, trade

and industry secretary. Citing

praise for Britain from industrialists in other countries, he said he hoped he would never

see Labour in government again.

Complaints of redundancy payments

With the growth in the market slowing from the 10 per cent annual increases of the late 1980s and pressure on margins from consumers unwilling to pay higher prices, competition is intensifying. The largest manufacturers expect to take a bigger share of the market, cashing in on their investment in production methods that keep costs down.

They will squeeze out medium-sized competitors such as Holmes Maid Foods of Scunthorpe, which last week went into receivership despite having opened a new factory capable of producing 45,000 sandwiches a week.

Yet new retailers are constantly entering the market,

including the bread manufacturers. Faced with a declining market for their main product, they are keen for their shops to add value by selling sandwiches rather than loaves.

Sales of sandwiches are no longer confined to bakers and food stores; the big oil companies are using sandwiches to fight back at supermarkets that sell cheap petrol, according to Stuart Price, retailing consultant to Stoy Hayward, the accountants. They are developing convenience stores on the forecourts of 15,000 of their petrol stations, and see sandwiches as a leading sales item.

For the consumer, the choice

- and pleasure - of eating a sandwich has never been better since John Montagu, 4th Earl of Sandwich, ordered the first one in 1762.

Companies see tasty way to earn bread and butter

Britain's fast-growing sandwich industry is worth more than a few crumbs, reports Nicholas Lander

Forty-eight hours after this year's Oscar ceremony in Los Angeles, a somewhat less lavish event took place in London, as the British Sandwich Association presented its annual industry awards recognising the achievements of market leaders in business which now has an annual turnover of £2bn (£3.2bn) and accounts for a quarter of the UK fast food market.

The growing importance of the industry in exports was acknowledged by an award to Marks & Spencer, the market leaders with 7 per cent of sales, for the influence of its sandwich retailing on sales of British produce in other countries, particularly France.

In Paris - where M&S sandwiches are prepared locally

every day and have been sold for 20 years - smoked salmon, ploughman's, and ham, cheese and pickle sandwiches are now the rage.

Large retailers such as M&S, Boots, Tesco and Sainsbury buy their sandwiches from suppliers such as Hilldown Chilled Foods, United Biscuits and Derbyshire Chilled Foods, each capable of making up to 1m sandwiches a week. But these large manufacturers account for a surprisingly small share of the market - the top six supply no more than 17 per cent of sandwiches sold in the UK.

Below them are hundreds of companies producing 1,000 to 100,000 sandwiches a week, usually distributing them to retailers locally or regionally.

Many began their businesses with basket deliveries to offices and shops: their closeness to the point of sale is an advantage in a business where the product's shelf-life is no more than two days. However, these companies are often undercapitalised and lack the financial or management resources of the larger manufacturers. They complain of being plagued by stringent fresh food legislation.

At the bottom of the pyramid are the smallest manufacturers, making no more than 1,000 sandwiches a week. Many of these are individuals or couples, tempted by the low cost of entry into sandwich making. Some have come into the industry in recent years after losing more conventional jobs,

including the bread manufacturers.

Faced with a declining market for their main product,

they are keen for their shops to add value by selling sandwiches rather than loaves.

Sales of sandwiches are no longer confined to bakers and food stores; the big oil companies are using sandwiches to fight back at supermarkets that sell cheap petrol, according to Stuart Price, retailing consultant to Stoy Hayward, the accountants.

They are developing convenience stores on the forecourts of 15,000 of their petrol stations, and see sandwiches as a leading sales item.

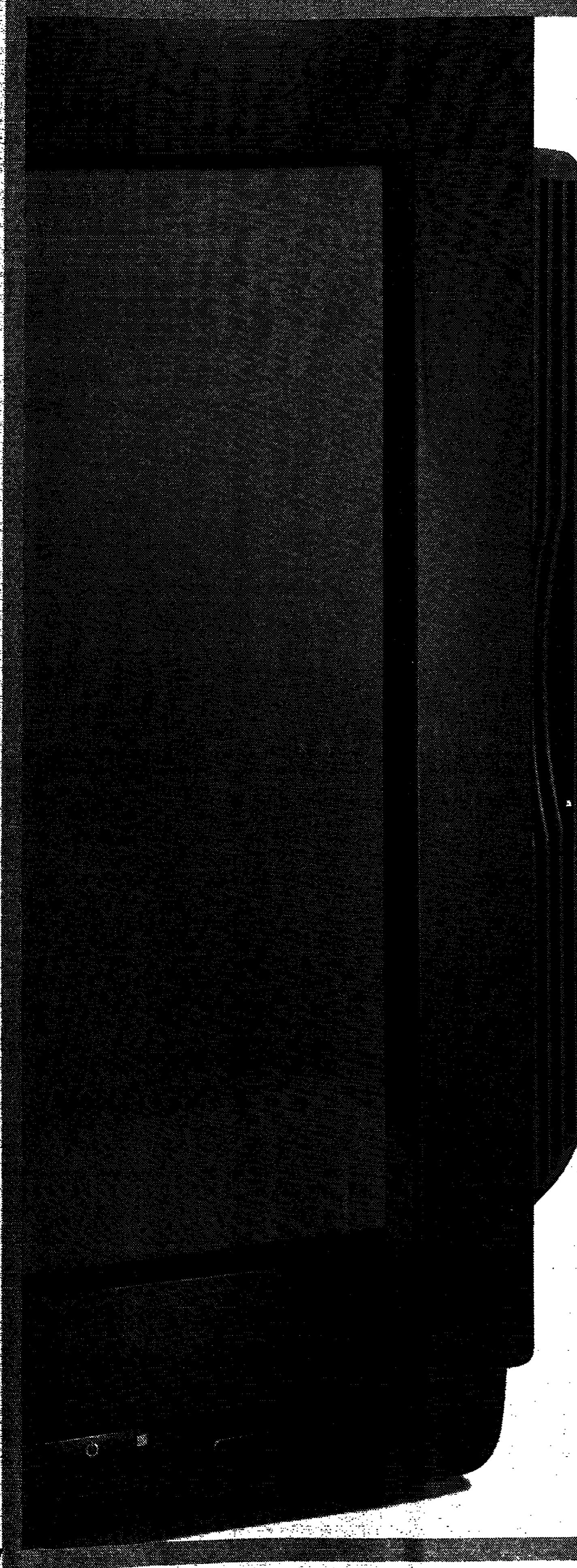
For the consumer, the choice

- and pleasure - of eating a sandwich has never been better

since John Montagu, 4th Earl of Sandwich, ordered the first one in 1762.

24HR

Daily Fax Service
Competitive Rates
London Peeling Fax



FOR BRIGHTNESS, VOLUME AND CONTRAST, SONY GOT A BETTER RECEPTION IN WALES.

Sony's business success in Wales over the last 20 years makes for some impressive viewing.

During this time their business has thrived, growing by a staggering six times.

More recently, Sony have manufactured the advanced Trinitron television range in Wales.

Helped in no small part by the highly skilled Welsh workforce, a large network of local suppliers and an abundance of quality sites.

Not to mention the advice and support of the Welsh Development Agency. The picture for Sony is looking bright in Wales.

Find out how we can help your company in Wales by posting or faxing your business card to us on +44 1222 345615 at the International Division, Welsh Development Agency, Pearl House, Greyfriars Road, Cardiff, CF1 3XX. Or telephone our Customer Services Team on +44 1222 828820.



THE WELSH ADVANTAGE.

COMPANY NEWS: UK

Northumbrian Water bid is referred to MMC

By David Lascelles and Christopher Price

The proposed bid for Northumbrian Water by Compagnie Lyonnaise des Eaux has been referred to the Monopolies and Mergers Commission by the Department of Trade and Industry.

Under EU rules, the bid should have been investigated by the Brussels competition authorities. All bids involving companies above a certain size have to be investigated by the EU.

However, the trade department told the EU it wanted an MMC inquiry because national interests were involved. The EU agreed, but will conduct its own inquiry if the bid goes ahead.

The national interest arises because Northumbrian is a regulated company subject to UK

water price controls. The DTI said it would be up to the MMC to decide which issues should be investigated.

Lyonnaise announced its intention to bid for Northumbrian on March 6, but held back from making a firm offer pending a referral decision.

The French company already owns two other UK water companies.

Northumbrian said it was disappointed by the decision. It would create a period of uncertainty which could last several months. And even if the MMC gave the all clear, that would only be a prelude to the EU's investigation.

Mr Michael Taylor, finance director, said: "The taxpayer is going to have to fund a very expensive investigation without any commitment to a bid."

Northumbrian finds the bid unwelcome because it believes

it is able to deliver a successful strategy without outside help. Its shares closed up 6p at 849p.

Lyonnaise welcomed the referral and said it intended to co-operate with the MMC to achieve a satisfactory outcome.

• Yorkshire Water denied reports that it had decided to offer a £150m package of rebates and refunds to customers and shareholders when it reports its results in June.

The company confirmed it was examining ways of providing "additional benefits" to customers, but "no decisions have been made at this time as to the size of those benefits and as to how, and to whom, they should be distributed".

The statement followed the decision by North West Water on Thursday to pay £18m to customers and shareholders over the next five years.

N Electric dissidents to carry out threat

By David Wighton

Dissident shareholders in Northern Electric are to carry out their threat to requisition an extraordinary meeting to press the board to allow a new offer from Trafalgar House.

Mr Guy Wyser-Pratte, of New York-based arbitration firm Wyser-Pratte, said he was confident that over the next few days he would be able to sign up the required 10 per cent to demand an EGM.

Mr Wyser-Pratte had given Northern until yesterday to agree to a new offer from Trafalgar being put, or to enter negotiations.

Northern yesterday rebuffed his demands and threatened legal action if he repeated allegations about the directors' handling of the bid.

In a letter to Mr Wyser-Pratte, Mr David Morris, Northern chairman, said that "at all times" the board had "acted in the best interest of the company as a whole".

Mr Wyser-Pratte had criticised the board for promising shareholders a £260m package of benefits, if Trafalgar's £1.2m bid was rejected.

The electricity regulator, Prof Stephen Littlechild, said it was partly this defence that prompted him to announce a review of the pricing regime, which in turn resulted in Trafalgar allowing its bid to lapse.

In its letter, Northern pointed out that Prof Littlechild had not claimed that the company withheld information during price control discussions ahead of the bid. It also said that the regulator had confirmed there was no agreement with the company about acceptable levels of gearing during those discussions.

Mr Wyser-Pratte said: "It is appalling that the board has not addressed a single one of our proposals. It has just told us to cease and desist."

Kepak's appetite for British Beef

By Geoff Dyer and John McManus

Ten days after Union International, once part of the Vesty family empire, went into receivership, its meat processing subsidiary, British Beef, has been sold to Kepak, the Irish food company.

Ernest & Young, Union's receivers, refused to disclose the consideration.

British Beef was put into receivership last Thursday, the

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture, called the Public House Company, has financed the purchase with £164m of bank debt and £24m of equity. S&N, which pays £18m rent on the pubs, should derive a small net benefit.

beer to Chef & Brewer pubs expired yesterday. S&N has agreed to continue to take Courage beer until it builds up volumes of its own brands.

The S&N/British Land joint venture

INTERNATIONAL COMPANIES AND FINANCE

Sharp setback for Dresdner Bank

By Andrew Fisher
in Frankfurt

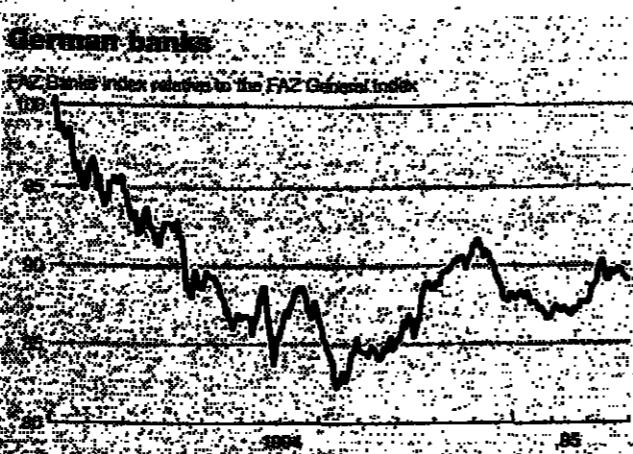
Group operating profits of Dresdner Bank, Germany's second-biggest commercial bank, fell 20 per cent last year to DM1.65bn (41.2m), with the weakness in world bond markets taking a severe toll of profits on own-account trading.

Mr Jürgen Sarrazin, chairman, said 1995 had begun slowly, with profits in the first two months below expectations.

He added that Dresdner would increase its US investment banking presence by investing a further 200m in Dresdner Securities USA to expand fixed-interest bond trading.

He declined to be drawn on plans for the UK, saying "we have not yet decided whether to do it ourselves [develop UK investment banking] or take a stake in others".

As with other German banks, bond trading suffered from rising interest rates.



Profits from own-account trading slid 94 per cent to DM42m.

Mr Sarrazin said bond portfolio write-offs cost DM350m, but that this was offset by a DM300m profit from derivatives - including DM151m from its Paris-based subsidiary, Banque Internationale de Placement - and earnings on share, foreign exchange

and precious metals trading.

He said operating profits were 40 per cent higher than the average of the past five years.

Interest income increased 5.3 per cent to DM6.5m from the 1993 level, with commission earnings 5 per cent lower at DM38m as a result of the weak domestic bond market.

Full details will be released on Monday.

Pre-tax profits dropped 6.8

per cent to DM1.7bn. However, the fall was moderated because the 1993 figure was reduced by the tax effect of a property sale. Net income fell 3.4 per cent to DM1.05bn.

Mr Sarrazin said risk provisions had been reduced by 30 per cent to DM1.25bn, although the need to provide against loans in eastern Germany had increased.

He was cautious about the 1995 outlook, expecting modest growth in loan and mortgage business, maintained commission earnings and higher own-account profits.

Also announcing 1994 figures was Munich-based Bayerische Vereinsbank, which contained its operating profits decline to 8 per cent for a total of DM0.6bn.

That was in spite of a 97 per cent decline in own-account trading profits to DM7m.

Profits were helped by a 14 per cent rise in interest income to DM4.8m, reflecting buoyant mortgage business.

Full details will be released on Monday.

BHP climbs 13.4% to A\$322m in third term

By Nicki Telt
in Sydney

Broken Hill Proprietary, the big Australian resources group, yesterday reported a 13.4 per cent increase in profits after tax for the third quarter to end-February, to A\$322m (US\$230m). Revenue in the period was 2.4 per cent higher at A\$4.18bn.

BHP also announced a one-for-10 scrip issue, which will be made to shareholders on the register on May 19.

Profits for the first nine months of the current financial year advanced to A\$1.38bn from A\$924m a year ago.

However, the latest figure includes an abnormal item of A\$23m reported last quarter. Excluding this item, profit for the nine months rose 25.3 per cent.

Revenues in the nine-month period were 7.8 per cent higher than last year, at A\$12.4bn.

Basic earnings per share, excluding abnormalities, rose 8 per cent to 22.9 cents in the third quarter from a year ago, while the nine-month figure was 18.7 per cent higher at 82.7 cents.

There was a half-yearly dividend of 26 cents a share, compared with 23 cents last time.

BHP said all its main business groups improved results, although the higher Australian dollar exchange rate depressed US dollar-denominated revenues.

In the minerals division, after-tax profits increased 8.1 per cent to A\$228m in the third quarter. Higher copper prices more than offset the impact of lower US dollar prices of coal and iron ore.

Steel profits rose 9.6 per cent to A\$114m, with raw steel production up by 4 per cent.

Petroleum profits rose 6.1 per cent to A\$122m, with the effect of higher oil prices offsetting increased exploration expenditure.

The service companies posted A\$20m profit in the quarter, A\$7m more than a year ago.

The company said that for the first time in its history, all parts of the group had contributed to the profit improvement.

Jardine Matheson cautious despite 16.4% rise in year

By Simon Holberton
in Hong Kong

in

Sydney

ing conditions for several of the group's businesses".

Jardine Matheson, the Hong Kong conglomerate controlled by the Keswick family, yesterday announced a 16.4 per cent rise in net profits before extraordinary items to US\$462.6m in the year to end-December from US\$388.8m a year earlier.

The result, which was

slightly above expectations,

was struck on turnover up

almost 12 per cent at \$3.5bn.

Mr Henry Keswick, chair-

man, said profits growth last

year had been satisfactory.

However, he said he expec-

ted 1995 to be a "demanding

year with more difficult trad-

ing".

Mr Keswick said the group's

See Lex

financial strength would enable it to develop "long-term opportunities" in the Asia-Pacific region "which is set to remain the world's most dynamic economic area".

Jardine Pacific, the main non-listed entity within Jardine Matheson, increased its net profits 15 per cent to \$124.4m. Its trading and distribution businesses had a particularly good year, lifting pre-tax profits 81 per cent to \$0.8bn.

Mr Keswick said the group's 24 per cent associate in Singap-

ore, Cycle & Carriage, had an "excellent" year. It reported a 38 per cent increase in profits, of which \$0.1m was attribut-

able to Jardine.

Mr Keswick said the group's

See Lex

Jardine Strategic to raise \$421m

By Simon Holberton

in Hong Kong

Strategic, will take up its rights and Jardine Fleming, the group's merchant bank, will underwrite the remainder.

Jardine Strategic owns 36

per cent of Jardine Matheson.

The announcement came as

Jardine Strategic issued fig-

ures showing net profit before

extraordinaries 23 per cent

higher at \$337.1m in the year to end-December, compared with \$275m a year earlier. Fully-diluted earnings per share before

extraordinaries rose 24 per

cent to 42.7 cents.

Directors recommended a final dividend of 9.9 cents

which, with the interim payout of 4.6 cents, makes 14.5 cents - a rise of 16 per cent on 1993.

Net profits attributable to

ordinary shareholders fell 1.7 per cent to \$337.1m from \$342.2m. The company had extraordinary gains of \$6.2m in 1993 which were not repeated last year.

It disclosed that it had spent \$32.1m to buy 3 per cent of Société Christian Dior, the French luxury goods company.

It also made a small investment in Schindler, the Swiss lift manufacturer.

Mr Henry Keswick, chair-

man, said the Dior and Schindler investments reflected the company's philosophy "of comple-

menting its large strategic holdings with smaller minority positions in high quality compa-

nies where there are existing business links" with the group.

Aegon sees further gains in 1995

By Ronald van de Krol
in Amsterdam

and none of its sectors was now loss-making.

Life insurance, by far the biggest single business, lifted pre-tax operating profit 10.8 per cent to F1.04bn. Non-life insurance swung back into an operating profit of F1.24m from a loss of F1.15m.

Net profit rose to F1.15bn (F1.32m) from F1.05bn (F1.15m) a year earlier, on turnover up 9.5 per cent at F1.261bn.

The company said that, for

the first time in its history, all

parts of the group had contribut-

ed to the profit improvement.

Group interest expense was

F1.05bn, about 4.5 per cent

lower than a year earlier.

Cost cuts and price rises help UK activities make up for decline in the US

Bardon back in black with £19m

By Andrew Taylor,
Construction Correspondent

Bardon Group, the aggregates and ready mix concrete company, moved back into the black in 1994 making pre-tax profits of £19.5m, against a loss of £47.5m.

The comparative figures,

however, were depressed by a £60m write-down of the marine dredging business. Mr Peter Tom, chief executive, said pre-tax profits, excluding the write-down, showed a 57 per cent

turnover slipped to £231.7m, against £251.3m which

included £25.5m from discon-

tinued activities.

UK operating profits rose by 76 per cent to £20.2m (£11.5m), helped by cost reductions, higher sales volume and price increases.

There had been a further

price rises this year of 3 to 4 per cent, which the company expected to stick in spite of more difficult market conditions.

UK sales volume could rise by a further 2 to 3 per cent, the company said.

US profits slipped from £16.5m to £14.5m due mainly to

a delay in agreeing the Trans-

portation Bond Bill which had

been held up construction in Massa-

chusetts. The bill had been

passed in the second half of

last year and prospects, as of

now, had improved.

The shares rose 3p to 51p.

The rise was helped by the announcement that the group had won planning permission to extend its reserves by 20m tonnes at Dunhillend in Scotland while the environment department has indicated that it would approve plans to dredge a further 40m tonnes of sand and gravel for the North Sea.

Earnings per share were 12.5p, against losses of 12.5p or

earnings of 1.1p excluding exceptional items. The company is proposing a maintained final dividend of 1.2p, making an unchanged total of 2p.

COMMENT

The stock, in spite of a much better operating performance, continues to be held back by net debt of £22m and gearing of 67 per cent which barely improved last year. Profits could reach £23m this year but the shares are unlikely to improve until debt reduces further. Analysts say this is unlikely to happen without disposals.

Revamped Johnson Fry at £4.18m

Johnson Fry, the financial services and investment company, built on its return to profit at the halfway stage to report pre-tax profits of £4.18m for 1994, writes Graham Deller.

The outcome, achieved on turnover from continuing operations of £225.5m (£241.5m), compared with losses last time of £12.5m, a figure which reflected the sale of the LTL America operation and a fundamental restructuring.

This enabled the resumption of dividends to ordinary share-holders who receive a distribution of 2p, payable from earnings of 17.9p (losses of 10.1p) per share. The last payment was in November.

The performance side was again

the best performer with operating profits of £6m (£2.2m).

Financial products contributed

operating profits of just £260,000, against £1.8m.

The outcome, achieved on

turnover from continuing operations of £225.5m (£

NOW FINANCIAL IZVESTIA TALKS BUSINESS TO 300,000 INFLUENTIAL RUSSIANS TWICE WEEKLY.

Financial Izvestia is a twice weekly, Russian language business newspaper produced by the Financial Times in partnership with Izvestia, Russia's leading independent daily.

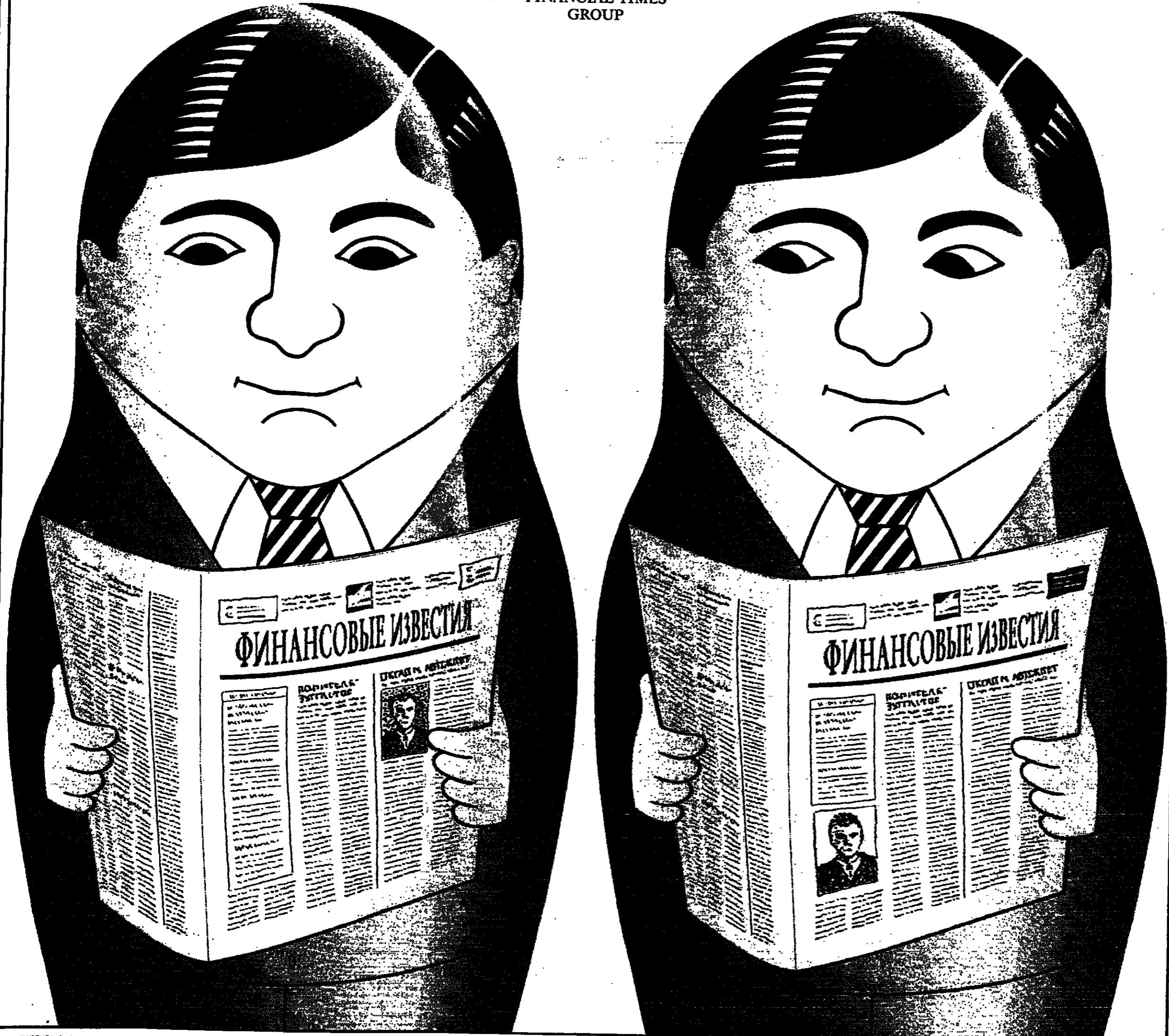
Printed on the FT's distinctive pink paper, it accompanies Izvestia every Tuesday and Thursday.

Drawing on the huge editorial network of both newspapers, it brings up to the minute, accurate, national and international news to 300,000 decision makers in Russia. News from around the world that impacts upon the Russian market, making Financial Izvestia an essential and unique business tool for those shaping the new Russia.

To find out more about advertising to these influential people, call Ruth Swanston at the Financial Times in London on 44 171 873 4263 (fax 44 171 873 3428), Stephen Dunbar-Johnson in New York on 1 212 752 4500, Dominic Good in Paris on 33 1 42 97 06 21, Sarah Leventhorpe in Hong Kong on 852 2868 2863.



FINANCIAL TIMES
GROUP



COMMODITIES AND AGRICULTURE

WEEK IN THE MARKETS
Silver leads precious metals rally

Silver and platinum stepped into the limelight with impressive price rises yesterday, encouraging a stronger performance from gold and relegating palladium, recently the star turn on the precious metals stage, to a minor role.

Following a dramatic 10 per cent overnight rally on the New York Commodity Exchange (Comex) cash silver was fixed in London yesterday morning at \$1.16 a troy ounce, the highest since November 28 last year. It closed at \$1.25 up 38 cents on the day and 63 cents on the week. Platinum - which had been marking time as the market in Palladium, its sister metal, went off the boil - jumped by 4 per cent to a 4½-year high of \$842.50 an ounce, up \$17.75 on the week. The gold price tagged along, though at a respectful distance, gaining \$3.35 on the day at \$391.75 an ounce, up \$9.75 on the week.

New York traders told the Reuters news agency that the rallies started after it was realised that Thursday's 50-point cut by the Bundesbank's discount rate would not provide a long-term prop for the languishing US dollar. And precious metals market analysts pointed out that the white metals (now regarded principally as industrial raw materials) would benefit more than gold from a potentially expansionary interest rate cut round in the industrialised countries.

Palladium is clearly numbered among the industrial precious metals - its main uses being in electronics, motor exhaust catalysts and dentistry. But a rise of 12 per cent in a fortnight had already taken its price to the highest for nearly six years and this week saw a period of rather erratic consolidation.

An early retreat accelerated on Tuesday after Kyocera Corporation, a leading Japanese manufacturer of the multi-

layer ceramic capacitors used in products such as mobile telephones, personal computers and wide-screen televisions, announced that it planned to cut its use of palladium drastically and use cheaper substitutes such as nickel, silver and copper.

The market bounced strongly the following day, however, as investment fund buyers were encouraged by reports that Japanese imports of the metal were continuing at a high level. The price continued to see-saw but at yesterday's afternoon "fixing" the price stood at \$174.50 an ounce up 35 cents on the week and only \$1.50 below Wednesday's peak.

At the London Metal Exchange base metals contracts concluded a lacklustre week rates that in some cases came close to compensating for the earlier setbacks.

The strongest recovery was in the aluminium market. The three months delivery price

LONDON WAREHOUSE STOCKS
(As at Thursday's close)

Aluminium	28,650	to 1,777,750
Aluminium alloy	4,800	to 25,000
Copper	4,800	to 28,800
Lead	1,070	to 122,400
tin	7,400	to 18,100
tin	7,400	to 22,600

rose yesterday to \$1,884 a tonne before closing at \$1,872.50, up \$21 on the day and down just \$1.50 on the week.

News that Russian aluminium producers planned to cut exports by 200,000 tonnes to 2m this year underpinned bullish sentiment, traders told Reuters, as did another big fall in LME warehouse stocks.

Many base metal markets were given a premature push by the hedge funds in 1994 and were only now starting their fundamentally-based bull markets, London stockbroker James Capel said yesterday.

Company analyst Jon Bergthold told Capel's Mining House conference that the copper price rose as stocks fell to low levels very early in the cycle. Hedge funds then got involved. "Copper was important in having a bull market," he said, "the other metals were not."

Richard Mooney

BASE METALS

LONDON METAL EXCHANGE
(Prices from Amalgamated Metal Trading)

II ALUMINIUM, 99.7 PURITY (5 per tonne)					
Cash	9 mth				
Close	1885.9	1872.9			
Previous	1880.1	1871.2			
High/low	1871.2/1870	1880/1885			
AM Official	1871.5-2.0	1878.5-2.0			
Kerb close	1885.5-0.0				
Open Int.	214,910				
Total daily turnover	64,332				

Total daily turnover 214,910 64,332

II ALUMINIUM ALLOY (5 per tonne)

II ALUMINIUM ALLOY (5 per tonne)					
Cash	9 mth				
Close	1885.45	1880.40			
Previous	1882.35	1880.40			
High/low	1880.40	1885.45			
AM Official	1880.40	1885.45			
Kerb close	1885.45	1882.35			
Open Int.	2,676				
Total daily turnover	947				

Total daily turnover 947

II LEAD 8 (5 per tonne)

II LEAD 8 (5 per tonne)					
Cash	900-1	905-0			
Previous	898-0	903-5			
High/low	898-0	908-001			
AM Official	902-3	908-5			
Kerb close	908-5	905-7			
Open Int.	36,063				
Total daily turnover	5,912				

Total daily turnover 5,912

II NICKEL (5 per tonne)

II NICKEL (5 per tonne)					
Cash	7840-50	7770-80			
Previous	7787-85	7710-20			
High/low	7840-77	7840-77			
AM Official	7860-70	7790-85			
Kerb close	7860-70	7790-85			
Open Int.	66,206				
Total daily turnover	7,892				

Total daily turnover 7,892

II ZINC (5 per tonne)

II ZINC (5 per tonne)					
Cash	1028-7	1021-1			
Previous	1026-5	1021-1			
High/low	1041	1020/1057			
AM Official	1042-3	1065-7			
Kerb close	1059-60	1059-60			
Open Int.	97,516				
Total daily turnover	11,271				

Total daily turnover 11,271

II COPPER Grade A (5 per tonne)

II COPPER Grade A (5 per tonne)					
Cash	2394-5	2394-5			
Previous	2393-8	2393-8			
High/low	2394-5	2393-8			
AM Official	2395-6	2393-4			
Kerb close	2393-4	2393-4			
Open Int.	237,714				
Total daily turnover	56,329				

Total daily turnover 56,329

II LME CASH (5 per tonne)

II LME CASH (5 per tonne)					
Cash	1028-7	1021-1			
Previous	1026-5	1021-1			
High/low	1041	1020/1057			
AM Official	1042-3	1065-7			
Kerb close	1059-60	1059-60			
Open Int.	97,516				
Total daily turnover	11,271				

Total daily turnover 11,271

II CRUDE OIL NYMEX (42,000 US gall. \$/bbl)

II CRUDE OIL NYMEX (42,000 US gall. \$/bbl)					
Cash	5745-55	5700-800			
Previous	5730-10	5670-80			
High/low	5745-55	5620/5760			
AM Official	5770-70	5815-70			
Kerb close	5815-70	5760-70			
Open Int.	97,516				
Total daily turnover	11,271				

Total daily turnover 11,271

II HEATING OIL NYMEX (42,000 US gall. \$/bbl)

II HEATING OIL NYMEX (42,000 US gall. \$/bbl)		
---	--	--

FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL
Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700

Saturday April 1 1995

An enjoyable reincarnation

"I used to think if there was reincarnation, I wanted to come back as the president or the pope or a 400 baseball hitter. But now I want to come back as the bond market. You can intimidate everybody." This idiosyncratic view of a desirable second life came from James Carville, the celebrated Democratic political consultant. He is right: for a US political consultant, the bond market must be the best option. But the currency markets would not be a bad second best for almost anyone else.

For movers and shakers within Washington's Beltway, life as the foreign exchange market would be on the dull side. Certainly, one could never hope to be invited to the White House. The dollar's decline to all-time lows - it touched 86 yen yesterday - is usually hidden on the inside pages. Mr Alan Greenspan's Federal Reserve does take some note of the fate of the currency for which it is responsible, but swiftly passes to matters of greater moment, such as the latest news on industrial inventories.

To the extent that US conventional wisdom considers the external value of the dollar at all, it is to regard its weakness as being everybody else's problem. On this, it has usually, but not always, proved right. Now might prove to be an occasion when it is wrong. A decline of 4% per cent in the trade-weighted exchange rate since the beginning of the year would be helpful if the economy were weak. But the US is operating at close to full capacity. Output has also been growing strongly. Only yesterday, the Commerce Department announced that GDP expanded at an annualised rate of 5.1 per cent in the last quarter of 1994, well above the 4.6 per cent estimated a month ago.

Not alone

To be fair to the Federal Reserve, it is not alone in its indifference to the dollar. It does not count for much on Wall Street either. The currency market may despise the dollar; Mr Carville's bond market does not. Since the beginning of the year yields on 10-year bonds have declined by more in the US than in Germany and are now more or less identical in the two countries, at about 7 per cent. Only Japan and Switzerland, with yields at 4 and 5 per cent, respectively, enjoy long-term bond rates much below those in the US. There is no flight from the dollar to be discerned here.

No, the currency market's greatest influence is in Europe and Japan. On Friday, the Bank of Japan (BOJ) bowed before the currency wind in announcing that it would guide money market rates lower. Traders concluded that the BOJ wants the overnight interest

rate near the discount rate, stuck at 1.75 per cent since September 1993. Unfortunately, the Japanese central bank denied this move was a prelude to a much-needed discount rate cut. The adjustment should be seen, instead, as a response to the pressures revealed in the purchase of \$1.07bn (£8.6bn) of the US currency in March alone.

Timely surprise

On Thursday, the Bundesbank acted rather more decisively than the Japanese, by making an unexpected half a percentage point cut to the discount rate, along with a 35 basis point reduction in the repurchase ("repo") rate, to 4.5 per cent. The Bundesbank was surprised. But this was particularly timely for some of Germany's nearest and, allegedly, dearest. The cut should help the French franc, in particular, struggle through the presidential elections, now only three weeks away.

The cut in German interest rates can also be justified on domestic grounds: the measure of the money supply targeted by the Bundesbank has been shrinking in recent months; and economic growth is expected to slow this year, partly because of the D-Mark's strength. For all that, the Bundesbank's move is a gamble since it is still unclear whether it will attain its 2 per cent target rate of inflation. It did succeed last May, when it cut interest rates even though monetary growth was far above target. It would be risky to bet against the Bundesbank this time.

The really interesting question is whether relatively modest fiddling with monetary policy will make any real difference to the currency markets. Recently, movements in short-term interest rate differentials seem to have had little, or no, effect. US short-term interest rates have become more attractive vis-à-vis the Japanese and German since 1991 and 1992, respectively. But this has made people no more willing to hold the US currency. What seems to be going on is a portfolio shift away from dollars, virtually unaffected by the increasing short-term attractiveness of holding them.

The clever currency market provides an automatic solution to the problem. If investors do not wish to hold the current stock of dollars at existing exchange rates, the decline in that currency's value against other major currencies will eliminate any excess. Sooner or later everyone will see there are too many yen and D-Mark around, upon which things will go into reverse. When will that happen? Who knows? It is the combination of its power with its unpredictability that would make this reincarnation so enjoyable.

Supporters of Mr Jacques Chirac in the race for the French presidency are at last beginning to believe it could be third time lucky for their man, after two unsuccessful bids in 1981 and 1988.

For months, the mayor of Paris has been saying he would, like François Mitterrand, make the Elysée on his third try - and for months scarcely anyone, even in his faithful entourage at the Hôtel de Ville in Paris, really believed him. Now, with their man in the lead in the polls, many in the Chirac camp can hardly believe their luck in seeing their loyalty about to pay off.

Mr Chirac is not yet home and dry, however. There are still three weeks to go before the first round of voting on April 23. And the campaign does not even officially start until next Friday, when the list of candidates is officially published.

However, all the polls show Mr Chirac is still the clear frontrunner, though his lead over the two other main candidates - Mr Lionel Jospin, the Socialist, and Mr Édouard Balladur, the Gaullist prime minister - has shrunk slightly in recent days.

Only the top two scorers in the first round go through to the May 7 run-off. On present figures, Mr Balladur and Mr Jospin are jostling each other for the crucial second place.

If Mr Jospin comes second, the run-off will be a conventional left-right fight, and Mr Chirac will triumph. He can hardly fail to do so, when the combined opinion poll support for all conservative and rightwing candidates, including Mr Jean-Marie Le Pen and Mr Philippe de Villiers, approaches 70 per cent. If, however, Mr Balladur edges the Socialist out, it is far less predictable how the second round will go, not least because the left will have to decide which is the lesser evil to vote for. Their decision might determine the outcome to this civil war among RPR Gaullists and their UDF centre-right allies.

Having taken the lead, Mr Chirac is now trying to play safe and give his opponents as small a target as possible in a campaign that has already seen Mr Balladur's apparently commanding lead melt away. It has been punctuated with allegations about phone-tapping, American spies, illicit arms sales to Iran, and above all money. It has featured far greater disclosure of presidential candidates' personal assets than French politicians are used to, raising questions about the terms of Mr Balladur's past employment with a computer company and Mr Chirac's Paris property holdings.

It has also seen continued investigations into party finance irregularities of the past; the new need for French politicians to appear above suspicion was underlined by this week's decision by Mr Pierre Méhaignerie, Justice minister, to launch a probe into allegations that his own CDS centre-right party had had a slush fund in a Swiss bank in the past.

Yet the central themes of the campaign have remained the country's record unemployment rate, the financial crisis building up in its welfare system and the pent-up pay demands by French workers after a decade of restraint. The main candidates have all laid out their differing prescriptions in the past month, and are drenching the air waves and the print media with them.

Yet, at least, before the first round, there is little prospect of a television debate to give the campaign a focal point. Late last year, when he was languishing badly in the polls, Mr Chirac clammed up for

But this by itself does not explain

Jacques Chirac: trying to give his opponents as small a target as possible

such a debate. Now that he is the frontrunner, he is turning a deaf ear on debate demands from Mr Balladur and Mr Jospin.

So, the campaign has turned very much on the *travail de terrain*, and no one is better at working the ground than Mr Chirac. He has done it for years. His ministerial experience started with a junior post under General de Gaulle, and includes two spells as prime minister (1974-76 and 1986-89). He has built two political bases: one in Paris, where he has been mayor for 17 years; the other in rural Corrèze, which he represents in the National Assembly. He has probably pressed more French flesh than any other politician - and he loves it.

Only this by itself does not explain why Mr Chirac is doing so much better third time around. Mr Balladur's campaign strategists, for instance, always said Mr Chirac had the best party machine in the Gaullist RPR party, which he founded in 1974 and led until last November. Yet they were sure the prime minister would win on the image of an unfailingly competent manager.

What upset their calculation has been the way that Mr Chirac has succeeded in turning himself inside out. Mr Chirac, a well-heeled graduate of France's prestigious Ecole Nationale d'Administration, is the ultimate "insider", after his many years in government. Yet he has succeeded in portraying himself as the "outsider", a scourge of technocrats, a rebel with radical answers.

This has forced Mr Balladur to recast his campaign to stress that he, too, has ambitious plans for change. He claims that his are responsible plans in contrast to those of Mr Chirac, whom he accused of "demagogery" and "easy promises" to get himself elected.

This is a potentially damaging charge for Mr Chirac, given the widespread view that the only consistent strand in his contradictory policy statements has been a single-minded quest for power, with the Elysée as ultimate goal.

Mr Chirac has on occasions shown considerable political courage. He voted in 1992 for the Maastricht treaty that most of his RPR party opposed. Before the final round of the 1988 election he refused to make an approach to Mr Jean-Marie Le Pen to get National Front votes, despite the urging by Mr Charles Pasqua who is now in the Balladur camp.

But Mr Chirac's form of coalition-building leads him to reach out for and be captured by special interest groups. In his 1986-88 government, he chose the head of France's main farmers' union to be his agriculture minister, an obvious play for the farmers' vote. His current agriculture adviser is a former president of the young farmers' union.

Last week, he attempted to lock up the medical vote by promising to replace the Balladur-imposed ceilings on health spending that have been so unpopular with France's doctors. Instead, to promote more efficiency in Europe's most extravagant hospital system, he offered "negotiated" agreements that are unlikely to deliver the required savings.

Mr Chirac says he came to this conclusion in the two years of "reflective" preparation for his presidential campaign. But he was, by all accounts, riveted by a paper published last autumn by Mr Emmanuel Todd, a young sociologist, which linked the growing gulf between the "middle" and "popular" classes to the contest between Mr Balladur and Mr Chirac. Mr Todd concluded that the former had come to symbolise "the well-off, the pensioners, the rentiers, lovers of the strong franc", and the latter "the poor, the young, the workers, the borrowers, who were not worried about the possibility of a mild increase in inflation".

With the exception of monetary policy on which he has been consistent because of its European ramifications, Mr Chirac has played the role Mr Todd cast for him, to the hilt. He has been helped by his opponents' deficiencies. Mr Balladur is still having great difficulty shaking off his image of belonging to the caste of the grande bourgeoisie. It is symptomatic of his campaign that his only adviser with natural street credibility, Mr Nicolas Sarkozy, is also mayor of Neuilly, the Paris suburb that is one of the richest communes in France.

Mr Jospin's handicap is that, as party leader from 1981-88 and education minister for four years thereafter, he is viewed as part of the élite Socialist clan present in the corridors of power for so long. The terms of the campaign debate, too, have been set by Mr Chirac and his call for a radical break with present policies. Both his main opponents are in a way incumbents - Mr Balladur, because he heads the existing government, and Mr Jospin, because he is of the same party as the current president.

It is these inconsistencies that Mr Chirac's opponent in the final run-off will hope to exploit, perhaps in the TV debate that the mayor of Paris will by then be unable to defer. His most likely opponent is, on balance, Mr Jospin, who should gain marginally from yesterday's withdrawal from the race of Mr Jean-Marie Le Pen of the small Radical party.

But the most interesting contest by far would be with Mr Balladur. As Mr Dominique Perben, a pro-Balladur minister, says: "Both candidates are from the same political family, so the situation is very volatile."

For all their differing policy and personality traits, France's two Gaullist candidates do hail from the same political stable, and therefore, on a chance remark or a gaffe from one, French voters might easily slide towards the other.

Skeletons in the UK Treasury minister's cupboard will not stop rattling

Grilling for toast of the Tories

Jonathan Aitken, the embattled chief secretary to the Treasury, put some heart into the beleaguered Conservative government this week with a sabre-rattling attack last Saturday on the independence of the BBC.

For a couple of days Aitken was the cynosure of the Tory party, widely spoken of as a possible replacement for Jeremy Hanley, the gaffe-prone party chairman - and even as a long-term successor to John Major, the prime minister.

But by midweek Aitken was at the centre of a renewed controversy about his dealings with the international arms trade. In this case his links with BMARC, a US company that sold guns to Iran in the late 1980s, breaking an embargo.

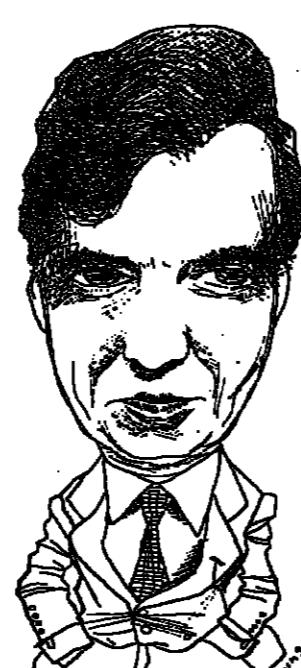
It hardly matters that the allegations recycled claims aired last year before Sir Richard Scott's inquiry into alleged breaches of rules on arms sales to Iran and Iraq.

What counts is that the skeletons in Aitken's cupboard will not stop rattling. And that casts doubt on the judgment of Major, who promoted him against the advice of colleagues worried about his connections with shadowy Middle Eastern businessmen.

Even friends acknowledge that the stream of allegations casts a shadow over Aitken's future, not least because no one knows when another businessman may emerge with further damaging allegations.

As a senior Tory put it: "The problem with Jonathan is that his past is shrouded in mystery. My fear is that at every step as he climbs the ministerial ladder, someone will attempt to knock him down by making another slur against him."

A great-nephew of Lord Beaverbrook, the legendary Canadian newspaperman who made a fortune



and dagger, a gift of King Khalid of Saudi Arabia, that hangs over a door in his house.

In 1988, Aitken was forced to resign from the board of TV-am when it emerged that he had failed to disclose a Saudi royal family interest in Beaverbrook Investments, the company through which he held his position.

His contacts date from his time in the early 1970s as managing director of the Middle Eastern operations of the property and banking group Slater Walker, which collapsed in 1975. One of these is Mr Wafiq Said, a wealthy Syrian-born financier who acted as go-between for the British negotiators in the £20bn Al Yamamah arms deal with Saudi Arabia.

One fruit of those contacts was his non-executive directorship of BMARC, the company that is the cause of this week's embarrassment. It was a subsidiary of the now-defunct arms company, Astra, which collapsed after the UK authorities ended its role in

building a so-called "supergun" for Iraq.

Much of this history was public knowledge when Major made Aitken a defence minister after the 1992 election, and then put him in the cabinet as chief secretary last summer. Why he did so is unclear, although Major was impressed by his loyalty during the passage of legislation ratifying the European Union's Maastricht treaty, when the Eurosceptic Aitken avoided giving succour to rebel MPs.

Aitken was regarded as an effective defence minister, forcing through cost-cutting measures - although some have since unravelled, such as a scheme to hive military housing off into an independent housing association.

In the cabinet, he pushed through many of last year's spending cuts, helping to persuade rightwingers such as Peter Lilley, social security secretary, to co-operate.

Only months after the appointment, Major was forced to order an investigation into allegations by Mohamed Fayed, owner of Harrods, that Aitken accepted hospitality at the Paris Ritz from Said Ayas, another rich Arab businessman.

Aitken was cleared. But he acknowledged in private that his past is controversial. One of his first acts as a minister was to ask to see papers about him that had been sent to Lord Justice Scott in connection with the arms-to-Iraq probe so Aitken could decide whether his presence would embarrass the government.

He decided it would not. But Labour frontbenchers say they are not satisfied and will continue to pursue him. "If Major thinks that this will go away because Aitken says he is innocent, then Major will have to think again," said one.

And for the moment, it looks as if he will be able to tough it out. But there is no doubt that the furor over his business dealings has lowered the ceiling on Aitken's prospects, even if he is able to remain in the government.

Kevin Brown



SPOT THE REFUGEE

There he is. Fourth row, second from the left. The one with the mustache. Obvious really.

Maybe not. The unsavoury-looking character you're looking at is more likely to be your average neighbourhood slob with a grubby vest and a weekend's stubble on his chin.

And the real refugee could just as easily be the clear-cut fellow on his left.

You see, refugees are just like you and me.

Except for one thing.

UNHCR Public Information
PO Box 2500
1211 Geneva 2, Switzerland

We're not even asking for money (though every cent certainly helps). But we are asking that you keep an open mind. And a smile of welcome.

And nothing is all they'll ever have unless we all extend a helping hand.

We know you can't give them back the things that others have taken away.

And it can mean everything.

UNHCR is a strictly humanitarian organization funded only by voluntary contributions. Currently it is responsible for more than 19 million refugees around the world.

United Nations High Commission for Refugees

150

The popular image of the British countryside – complete with rustic farmhouses, rolling fields and flower-filled hedgerows – has been constant for 50 years or more. But behind the tranquil facade, important changes are reshaping the pattern of life in rural Britain.

The transformation is due partly to demographic trends: the countryside has seen an influx of 300 predominantly middle-class "townies" a day for the past 10 years, equivalent to more than 1m people in all. This period has also seen a sharp decline in employment in traditional rural industries, such as farming, and important changes in agricultural policy. More such policy changes are in prospect, with pressure mounting for the European Union's Common Agricultural Policy to undergo root-and-branch reform.

It is an attempt to address the issue and to canvass often widely divergent views on how rural Britain should be managed that the government is drawing up a policy paper for release in September.

In an attempt to ensure that coverage of the subject is as comprehensive as possible, the initiative is taking the form of a rare collaboration between the Ministry of Agriculture and the Department of Environment. The document's remit, for example, includes farm policy, even though most substantive decisions in this area are taken in Brussels.

The government's purpose in undertaking the exercise is in part party political: to reassure voters in the Tory shires – many of whom have defected to the Liberal Democrats – that rural affairs are not being neglected.

One might expect Bernie Ecclestone to be despondent this week in view of the series of controversies and mishaps with which the new Formula One season has opened.

In fact, the diminutive puppet-master of Grand Prix motor racing and long-time head of the Formula One Constructors' Association is far from downcast. He dismisses as "nonsense" suggestions that the most widely televised sporting competition on earth is bringing itself into disrepute.

According to the media outpourings of the past fortnight, grand prix racing is already plunging into crisis, even though the 1995 season is only one race old. What makes matters worse, they say, is that this was supposed to be a year when teams and governing bodies were doing all in their power to make a clean beginning with new and safer cars after the tragedies and disputes of last year.

Last year saw Brazilian Ayrton Senna, and the young Austrian Roland Ratzenberger become the sport's first fatalities for 12 years. Their deaths have led to major revisions of circuits to make them safer, and new regulations which have forced all grand prix teams to build new cars with smaller engines and slower cornering speeds.

But hopes of a fresh start – free from the alleged "cheating" incidents and disqualifications which further marred last year's championship – have already been dashed by what happened at the season-opening Brazilian grand prix.

The teams flew home from Brazil, earlier this week, mulling over the disqualification of Michael Schumacher, Benetton-Renault's reigning world champion, and the young Williams-Renault driver David Coulthard from first and second place over their teams' use of allegedly "irregular" fuel.

As a result of their disqualification, Ferrari's Gerhard Berger, who crossed the line in third place, will start next weekend's Argentinian grand prix as the championship leader.

Elf, the French oil multinational which supplied both the Benetton and Williams teams, has reacted angrily to the disqualifications. It has argued that faulty test equipment or procedures employed by the Fédération Internationale de l'Automobile, the world governing body of motor sport, are to blame.

The fuel episode – which ensures that the Argentinian race will start amid uncertainty – is by far the most dramatic of this season's early mishaps in terms of its impact on the Formula One championship.

UK must end self-imposed exile and return to Unesco

From Mr David Wardrop

Sir, Your reports (on March 20) on the Royal Institute of International Affairs conference illuminates one truth: Britain can no longer set the agenda. But as your leader points out, this premise is one that most of us accept quite happily.

You urge the government to play a "more positive and enthusiastic role" in Europe. But issues relating to culture, science, education and other aspects of our society that link us to the rest of the world were given short shrift by the institute's programmers.

Since Britain left Unesco in 1985, in the face of opposition from our scientists and educators, the Commonwealth, our European partners and, indeed, the Foreign Affairs Select Committee, the government has tried to provide alternatives to justify the withdrawal. Ten years later, the British scientific and academic communities have given that decision a conclusive thumbs down. In many international forums, we have had to scramble around

as observers while we should have been delegates with votes.

Even though the UK is still party to Unesco's World Heritage Convention, we have sent no representative to its regular meetings in years. Moreover, as Unesco now co-ordinates important international programmes on interlocution, a UK programme, overlooked by government, has had to be taken up by a network of concerned voluntary organisations. We are being forgotten in many arenas, and it is our own fault.

As we approach Unesco's 50th anniversary, let us work to re-empower British scientists, educators, social scientists and communicators among their international peers. The UK can still rejoin Unesco in time for this autumn's general conference and help set guidelines for the millennium.

David Wardrop,
chairman,
London Regional Council,
United Nations Association,
23 New Quebec Street,
London W1H 5DH, UK

Deborah Hargreaves on the debate over managing change in the British countryside

High-tech in the haywains

But to achieve this political aim, the white paper must – in the words of Mr Tim Yeo, Conservative MP for Suffolk South and former countryside minister – "be more than just a restatement of existing policies". This means it must deal with pressing issues thrown up by the demographic trends and policy changes of the past decade. These include the development of infrastructure in rural areas, job creation and the provision of affordable housing.

The well-heeled townies who have moved to the countryside for a change of lifestyle, have cast a "cloak of prosperity" over many rural areas. But this masks the extent to which poverty is still present. According to one government-sponsored study last year, as many as one in five rural families live on or below the poverty line.

Jobs in traditional industries such as agriculture are on the decline. The number of farm jobs has fallen 55,000 in the past 10 years and 60,000 jobs have been lost from rural colliery villages over the same period. While the overall unemployment rate for rural Britain is lower – at 6.4 per cent – than the national average of 8.4 per cent for the UK as a whole, there are wide discrepancies between areas.

This is partly because traditional employers have often been replaced in less remote rural areas such as south-east England and East Anglia

by a new wave of high-technology businesses relying on modern telecommunications. The "high-tech corridors" that such businesses have created are among the most vibrant parts of the UK economy. But in the more remote locations, there has been little job creation to fill the void.

Mr Richard Butt, chief executive of the Rural Development Commission, believes the advance of mod-

ern technology can aid development of the most remote areas, but says the infrastructure, such as fibre-optic networks, must first be set in place.

"Just because it's the countryside, it would be a mistake to think it is all corn dollies, home-made jam and cottage cheese. We want to encourage more high-tech industries with more potential for expansion," he says.

This sort of development is seen by many as detrimental to the environment. But Mr Butt believes such views are misconceived, since most of the new businesses being attracted to the countryside – especially those involved in high-technology sectors – are less intrusive than some traditional rural employers, such as agriculture and mining.

Many jobs in rural areas still offer

low pay, which makes it difficult for young people to afford to live in the country and encourages them to migrate to urban areas. This problem has been exacerbated by the tendency of the incoming urban exiles to push up property prices beyond the reach of native countryside dwellers.

Mr David Stazicker of the Association of County Councils says: "You have the absurd situation of wealthy people commuting from country areas into towns while many young country dwellers have moved to the outskirts of towns and are travelling back to the countryside to work."

Mr Stazicker points out that only 8,800 rural homes have been built in the public sector in the past four years – far short of the 80,000 low-rent homes that the Rural Development Commission, a government body, estimates are needed.

The chronic shortage of new homes and jobs in the countryside, set against the strength of feeling among rural pressure groups about the need to preserve the environment, mean that the government's conclusions on planning will be particularly closely scrutinised. Mr Yeo says: "Planning policy is one area where the white paper could have a great impact without spending vast amounts of taxpayers' money."

The government response to development in the rural areas has often been to draw rings around

certain areas which need protection for a variety of different reasons. These can include bewildering sets of provisions for "green belts" – land protected from some development – environmentally sensitive areas and areas designated by the government as sites of special scientific interest. Almost half of all rural land in England is covered by some sort of usage specification.

The Country Landowners' Association, which represents 50,000 landowners in England and Wales, argues that it is time to deregulate the countryside and get away from land-use specifications. The organisation has presented the government with a 25-point rural action plan to remove the constraints on rural enterprise.

But other environmental groups are calling for tighter controls and tougher planning laws. The Council for the Protection of Rural England, a pressure group, believes people should be encouraged to stay in towns: "If we improve the quality of towns and cities and encourage in-town shopping, we reduce the pressure for greenfield sites in the countryside," says Mr Paul Wyman, the organisation's land use officer.

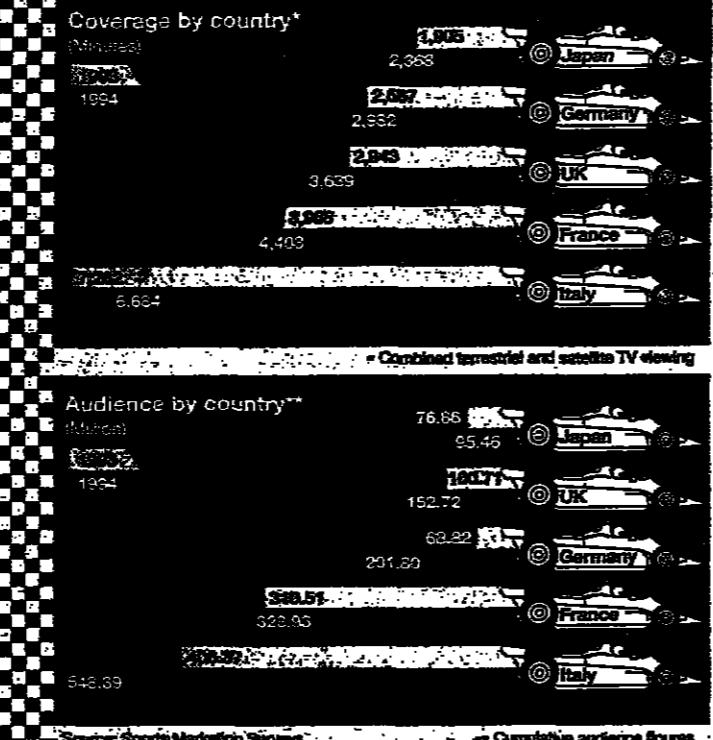
This debate shows greatly opinions diverge about what needs to be done across a wide range of rural issues. And the government recognises this. Mr William Waldegrave, agriculture minister, says: "Rural life is not set in aspic and, quite rightly, there is a lively debate about how change is affecting those who live and work in the countryside. The white paper will act as a focus for discussion and ideas."



Struggle to get back on track

A string of controversies has not dented corporate interest in Grand Prix racing, says John Griffiths

Formula One: winning viewers



But several others have helped to distract attention from events on the track.

For example, Schumacher – long acknowledged to be the leanest, fittest driver in grand prix racing – turned out to be

slightly heavier when he weighed in this year than his 1994 weight of 83kg. This is permanent because this year is also the first in which a car and driver are

being weighed together to meet a 95kg minimum weight limit. This means that a driver could theoretically gain an advantage from carrying some form of ballast which could be disposed of for the race.

Patrick Head, technical director of the Williams team, has calculated

that an 8kg weight difference would translate into an advantage of 0.2 seconds per lap – or a potentially race-winning 14 seconds over a full grand prix.

Schumacher and his Benetton team – the subject of both disqualification and unsubstantiated allegations of rule-bending last year – have vehemently denied any wrongdoing.

Other hiccups have included a threatened strike by drivers over the terms of issue of their licences – resolved barely in time for practice in Brazil; persistent concerns about the safety of refuelling procedures; and the farcical miscalculation which resulted in one of the sport's biggest crowd-

pullers, Nigel Mansell, the former world champion, being unable to race because the cockpit of his McLaren was too small.

Why, then, are Ecclestone and Max Mosley, the federation president, still so upbeat about prospects for the season?

A large part of the answer is provided by Gerard Fournier, managing director of the UK subsidiary of Red Bull, the Austrian-headquartered energy drink concern. The company is this year making its first foray into motor-racing sponsorship as the main backer of the Sauber-Ford grand prix team.

"Did you see TV earlier this week? – three mentions of grand prix in one new bulletin", says Fournier. "And stories on the front pages of all the nationals. Exposure of grand prix has never been higher."

According to Ecclestone, Red Bull's attitude is shared by the majority of the sponsors which collectively sink about £100m into the sport each year. "There is much more interest in Formula One from companies this year than there has ever been," he says.

Nigel Geach, a director of Sports Marketing Surveys, a media monitoring organisation which assesses television viewing figures for grand prix racing and other sports, suggests this increase in corporate interest is mirrored among television viewers.

"The sharp increase in viewer figures recorded in 1994 over the previous year is continuing this year," he says.

Geach acknowledges that in the immediate aftermath of the Senna and Ratzenberger tragedies last year, SMS expected that both viewing interest and commercial sponsorship would be discouraged. "The fact of the matter is, however, that Formula One is currently receiving more coverage across the world than ever before," he says. "From the sponsors' viewpoint, they are reaching audiences they have not been able to before."

Geach suggests that the controversies are in fact desirable to maintain the high profile which grand prix racing now enjoys. "The other side of the coin, for example, is tennis, where there are currently no exciting players or personalities, except [André] Agassi, and people are switching off in droves."

Mosley also concludes that some long-term good is emerging from the controversies. "Last year, when we warned that we were going to introduce all the new rules, there were a lot of people who expressed doubts about whether the FIA would have the determination or ability to enforce the regulations," he says. "Now... the teams know that we mean business."

One example: an electronic noticeboard on which Chase employees post information they want to spread around the dealing room. Schimoler calls it "a bit like sky-writing", enabling traders and others to flag important information.

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171 873 5538 (please set fax to "fine"). Translation may be available for letters written in the main international languages.

Between self-interest and greed

From Mr Philip Warland

Sir, Your report (on March 20) on the Royal Institute of International Affairs conference illuminates one truth: Britain can no longer set the agenda. But as your leader points out, this premise is one that most of us accept quite happily.

You urge the government to play a "more positive and enthusiastic role" in Europe. But issues relating to culture, science, education and other aspects of our society that link us to the rest of the world were given short shrift by the institute's programmers.

We devised a system, therefore, where bonus payments were deferred over three years. We acknowledged the likely impact of general market

forces, such as exchange rates, but did not treat them with quite the sophistication Professor Goodhart suggests.

In addition we had a prime rule that a salary package should not have incentives built into it until we were clear that the individual had a basic salary sufficient to allow him to support his family at a reasonable level.

Interestingly this system did not go down well in Singapore. There, the personnel told us that a manager receiving a large bonus would be embarrassed, and would feel it right to share the bonus among his or her team.

It does seem to me that in the UK, not only in the financial sector, we have lost that balance between individual

betterment and responsibility, and acknowledgement of the role and contribution of a team or community. Could it be, I wonder, because for over 20 years the prevailing philosophies have been individually centred?

The liberalism of the 1960s and 1970s went so far that it could be characterised by Professor Duncan Williams in 1971 as leading to a situation where "every man can establish his own private system of moralities".

Similarly the Thatcherism of the 1980s could be described this year, by Nigel Dodd of Liverpool University in these terms: "The government's ethos certainly contained a very clear moral idea about the individual not only seeking to better themselves through effort but also taking responsibility for their own future. But

what I think happened was that we went towards a culture of passive enrichment... It does not take very much effort to make a fat buck on a share flotation and it takes absolutely no effort to witness your property rising in price at a dizzying rate. [This] does blur the boundaries between people simply trying to seek what is best for themselves in a measured, reasonable way and people perhaps taking that too far and getting greedy."

Employers need to be aware of these trends and to distinguish between reward systems that marry employees' self-interest to that of shareholders, and those that encourage personal greed.

Philip Warland,
7 Keswick Close,
Tonbridge,
Kent TN9 1LP, UK

Ostrich industry appears poised to outrun game legislation

From Mr Keith M Taylor

Sir, Farmed ostriches are to be zero VAT-rated ("VAT-man given food for thought by ostrich farmers", March 29).

We recently conducted an extensive feasibility study into the marketing of game as a food in the UK. The question which now arises must be: are we likely to see wild ostrich in the UK, and if so will it be

classified as game under the Game Act 1931 or treated separately (like deer)?

What is the ostrich equivalent of venison?

Further thought for food.

Keith M Taylor,
Managing Director,
Farnfield Marketing Consultants Limited,
33 Spring Street,
London W2 1JA, UK

to go public; the second investigated the effect of earnings announcements on share prices.

The third analysed the macro-economic problems of economic transition; and the fourth the circumstances in which the pound and the lira left the ERM in 1992.

These papers were indeed technical, but they dealt in an informative way with subjects of keen interest to the readers of your newspaper.

FT MANAGED FUNDS SERVICE

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

No FT, no comment. Oh to be in Paris, now the 32 page Financial Times
Eating Out Guide is here. It's yours in only 10 days.

From the humblest bistro to the top restaurants and hotels, the Guide leaves nothing uncovered. It includes regional cuisine and even non-French establishments.

The Guide is published on Saturday, April 8. Bon appetit.

Paris in the lunchtime.

FT Guide to Eating Out in Paris.

PRODUCED IN ASSOCIATION WITH THE OMEGA AND THE GM CARD FROM VAUXHALL.

FT MANAGED FUNDS SERVICE

• FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

**1 million influential people just like you
read the FT every day.**

A loose insert talks to them directly.

Inserting your brochure or leaflet into the FT gives you a direct line into the boardrooms of as many companies as you require, reaching top executives when they are at their most receptive.

Find out more by calling
1-800-333-1333, Ext. 9171, 873-3363.

Mike or Jo on 01/1 875 3562

LONDON STOCK EXCHANGE: Dealings

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Talieman system, they are not in order of execution but in ascending order which denotes the day's highest and lowest dealings.

For those securities in which no business was recorded in Thursday's Official List, the latest recorded business in the four previous days is given with the relevant date.

Rule 4(2) stocks are not regulated by the International Stock Exchange of the United Kingdom and the Republic of Ireland Ltd.

† Bargains done at special prices. ♦ Bargains done the previous day.

British Funds, etc

Treasury 13 1/2% Lst 2000/03 - £1814

22/23 (24/49)

Corporation and County Stocks

Bristol City 11 1/2% Red Stk 2005 - £1342

22/23 (24/49)

Derbyshire County Borough Council 7% Lst

9/95 (2000) (Reg'd - £60.25 23/49)

Leicester City Council 7% Lst 2001 (Reg'd -

£30.65 22/49)

Merthyr Tydfil City 11 1/2% Red Stk 2007 -

£132.5 24/49)

UK Public Boards

Agricultural Mortgage Corp PLC 5 1/2% Deb

9/95 - 9/98 23/49

Port of London Authority 3% Port of London

A Stk 2000/03 - £21.2

Foreign Stocks, Bonds, etc (coupons payable in London)

Abbey National Treasury Servs PLC 6% Gld

1/95 (2000) (Reg'd - £100 23/49)

Abbey National Treasury Servs PLC 7% Gld

Nts 1997 (9/00/04/00000 - 3895)

Abbey National Treasury Servs PLC 7% Gld

2003 (8/00/04/00000 - 3742 23/49)

Amex Group Ltd 6 1/4% Subord Subs 2002/03

2002 50p - 43

Amex Group Treasury 10% Lst 2000/03

Subord Bds 10% Lst £2 Var - £102.5 23/49

Bristol & West Building Society 10%

Subord Bds 10% Lst £2 Var - £102.5 23/49

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/2% Bds

2003/04 (Reg'd - 101.5 23/49)

British Airways PLC 10 1/

Major will launch a 'new agenda' to win back votes

By Robert Peston in London

Mr John Major will today launch a new Conservative agenda based on the leading party's 'core principles', in an attempt to win back the support of middle income voters in the run-up to next month's local election.

The UK prime minister will say in the closing speech to the Tories' mid-year conference in the city of Birmingham that he is building "the next phase of Conservatism, based on the 'middle England' values of public service, law and order, economic stability and education."

This will be a 'new agenda', not just for the next election, but clear through into the next century, he will say, in an effort to stem the success of Mr Tony Blair, Labour party leader, the main opposition party, in wooing many traditional Tory voters.

Speaking on the opening day of the conference Mr Kenneth Clarke, the UK chancellor, gave the clearest hint to date that he hopes to cut taxes in November's budget. He said: "With the British economy growing healthier month by month, the day when I will be able to cut taxes is getting steadily nearer."

Baseball fans' hope

Continued from Page 1

sub-standard players. What has become increasingly obvious is that there will be perilously little money to share around if anything less than a proper season with real players takes place. Estimates of lost revenues range from \$800m if there is no season at all, to \$400m if it goes off half-cock with sub-standard performers.

Since February, all the reports from Florida and Arizona, where small towns depend so much on the revenues from spring training, are of attendance down 50-80 per cent. Fans clearly prefer to see baseball played well by professionals than badly by the equivalent of their brothers-in-law. Some managers have even refused to coach replacement players.

One team, the Baltimore Orioles, held no spring training, because its owner, Mr Peter Angelos, formerly a labour lawyer, will have no truck with strike breakers. That earned him an ecstatic reception at a trades union conference this week but leaves the other owners in the potentially ridiculous position of suing him if the season goes ahead with amateurs.

But a settlement is not

problem-free, because few professionals, deprived of spring training, are in shape to play immediately. So even Cal Ripken, star player of the Orioles, still does not know whether his remarkable pursuit of baseball's 60-year-old record for consecutive games can continue. Perhaps his unassailable case was on Sonja Sotomayor's mind.

Mr Stephen Slifer, chief financial markets economist at Lehman Brothers in New York, said the dollar was being driven lower primarily by psychological factors. "We are just out of the world of economics and into the world of psychology," he said.

The dollar's troubles started overnight in Japan when the Bank of Japan responded to pressure to ease monetary policy by agreeing to ease its overnight money market interest rates. But investors were disappointed that the central bank stopped short of easing the more important official discount rate. This caused the dollar to lose ground.

UK monopolies referral

Continued from Page 1

vulnerable to an inability to offer number portability.

Mr Crickshank has made it clear that portability is crucial to the development of effective competition in the UK telephone market.

BT said it had promised Ofte that it would continue with a number of trials of number portability which are already in progress.

The telecoms operator said that it would not delay entering into number portability agreements.

Europe today

A frontal zone will bring overcast skies and rain to northern Scotland, the Netherlands and Germany, while Finland will have snow. South of this area, better conditions will prevail. Southern England and France will have sunshine and scattered cloud. Spain will be very sunny because of high pressure over the Mediterranean. Afternoon temperatures will rise to 18C-25C. An exception will be southern Spain, where cloud from Morocco will drift north. A warm front over central Europe will produce cloud and rain from Poland to the Czech Republic and in northern Italy. However, southern Italy will be sunny.

Five-day forecast

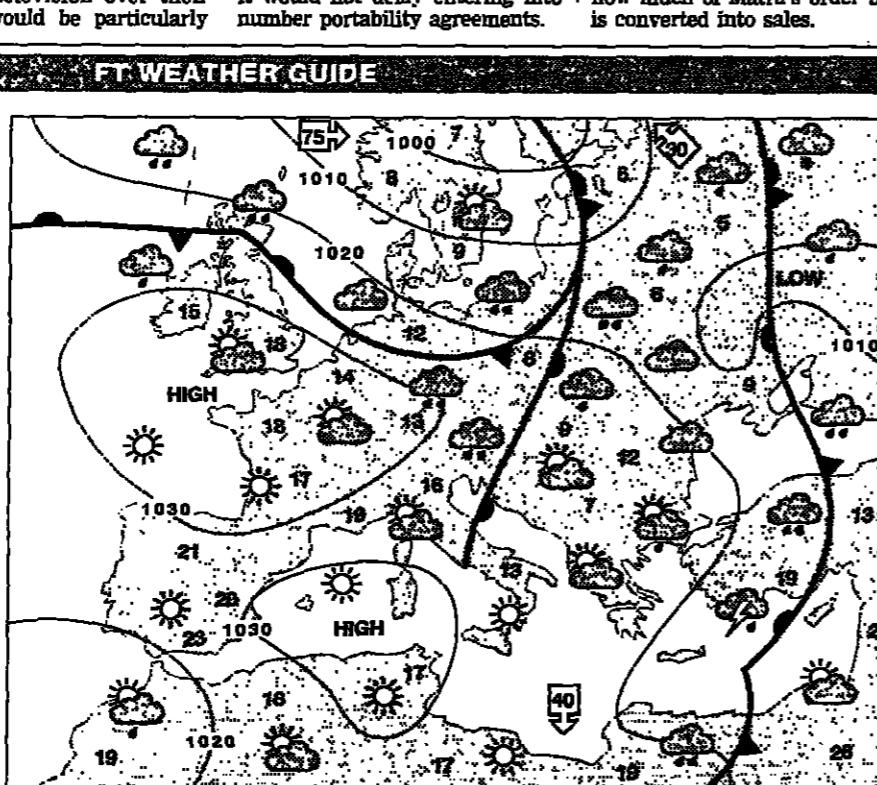
During the weekend, the frontal zone will slowly move south into continental Europe, bringing widespread rain and cloud to the central regions. After this, conditions will improve slightly over western Europe, although, in the wake of the front, temperatures will be cooler and will average a little below seasonal levels. Southern Europe will remain dry and rather sunny this weekend, but towards the start of next week, more cloud will form. Eastern Europe will brighten as rain moves slowly eastward.

TODAY'S TEMPERATURES

	Maximum Celsius	Beijing	fair	7	Caracas	fair	20	Faro	fair	21	Madrid	sun	22	Rangoon	sun	25
Abu Dhabi	sun 26	Belgrade	cloudy	14	Cardiff	fair	10	Frankfurt	cloudy	14	Malaga	sun	18	Reykjavik	snow	0
Accra	fair 30	Berlin	rain 11	10	Castellane	fair	24	Grenoble	fair	14	Malta	fair	15	Rio	thund	29
Algiers	fair 20	Bernard	rain 18	10	Chicago	rain	15	Gibraltar	fair	8	Manchester	cloudy	16	Rome	sun	15
Amsterdam	cloudy 14	Bogota	shower 21	14	Dakar	sun	11	Glasgow	rain	13	Malta	fair	33	S. Fraco	sun	19
Athens	showers 13	Bossey	shower 21	14	Delhi	fair	18	Hamburg	rain	11	Melbourne	shower	28	Seoul	fair	9
Atlanta	showers 13	Budapest	cloudy 9	12	Dallas	fair	18	Heidelberg	sleep	15	Montevideo	sun	20	Singapore	fair	23
B. Aires	showers 18	Budapest	cloudy 9	9	Dubai	fair	22	Hong Kong	fair	28	Milan	fair	20	Stockholm	fair	15
B.ham	fair 17	Chagres	cloudy 10	10	Dublin	fair	16	Istanbul	rain	8	Montreal	fair	1	Strasbourg	fair	15
Bangkok	fair 35	Cairo	sun 25	25	Dubrovnik	fair	13	Jakarta	showers	31	Moscow	fair	8	Sydney	sun	23
Barcelona	sun 18	Cape Town	sun 24	14	Edinburgh	cloudy	14	Jersey	fair	15	Munich	rain	11	Tanger	fair	24
														Tel Aviv	sun	25
														Tokyo	fair	16
														Toronto	fair	16
														Tunis	fair	16
														Vienna	fair	16
														Warsaw	fair	16
														Washington	fair	12
														Wellington	fair	12
														Zurich	fair	13

No global airline has a younger fleet.

Lufthansa



French-UK missile deal runs into snag on orders

By Bernard Gray,
Defence Correspondent,
in London

The agreement reached by Matra

Defence and British Aerospace to

create a £1bn (\$1.6bn) missiles

joint venture has run into a last-

minute obstacle as the French

government seeks assurances

that the UK will buy European

rather than US missiles.

Matra's parent company, the

Lagardere group, and the French

government are concerned that

in a series of impending missile

procurement decisions, the UK is

considering buying US systems.

Both parties want the UK to

buy European. So far the French

government has withheld its con-

sent from Europe.

In particular, Matra would like

the £70m contract for the UK's

new air-launched, long-range

attack missile to be ordered from

Europe.

Matra has developed the

Apache missile, which could

meet the need, but there are sev-

eral other competitors, including

the McDonnell Douglas Grand-

SLAM.

In Paris last week Mr Roger

Freeman, UK defence procure-

ment minister, seemed to rule

out such a deal and said: "It

would not be sensible to intro-

duce a European preference sys-

tem in defence procurement".

It is not clear whether the dis-

pute is serious enough to scupper

the deal. However, Mr Nod For-

gaard, chairman of Matra

Defence, was critical of Sweden's

decision to buy US missiles at the

Farnborough Air Show last Sep-

tember, and backs a "buy Euro-

pean" policy.

Part of the rationale for the

joint venture is to cut the excess

capacity in the missile industry.

While pooling resources, the com-

panies intend to gain strong

access to each home market by

presenting a French face in

France and a British one in the

UK. That may weaken if Matra

no longer believes that being

teamed with BAE will guarantee

preferential access to the UK

market.

BAE and Matra have similar

sized missile businesses with

turnovers of about £450m each.

But Matra's order book is larger

than BAE's. BAE will pay Matra

£50m to secure a 50 per cent

stake in the venture, plus up to a

further £100m later depending on

how much of Matra's order book

is converted into sales.

BT said it had promised Ofte

that it would continue with a

number of trials of number portability which are already in progress.

The telecoms operator said that it

would not delay entering into

number portability agreements.

IBFD Publications

Weekend FT

Miracle of the liquid economy

Robert Chote on a gurgling machine that may be the only truly tangible achievement in the history of economics

LIEUTENANT on a cold November afternoon in 1959, a distinguished collection of academics gathered in a seminar room at the London School of Economics. Before them stood a chain-smoking New Zealander holding some blueprints and peculiarly shaped pieces of perspex. But all eyes were fixed on what stood next to him: a bizarre contraption of tanks, pipes, valves and switches, with red liquid gurgling through them and spilling on to the floor.

The New Zealander was Bill Phillips. After periods as a crocodile hunter, cinema manager and prisoner of war, Phillips had come to economics late. He scraped through his undergraduate degree examinations in 1949 at the age of 34. Just nine years later he became a professor at the LSE after writing a landmark contribution to post-war economics with his "Phillips curve" theory on the relationship between inflation and unemployment: the repercussions of which still dominate the subject almost four decades later.

The amazing machine which Phillips demonstrated that afternoon had his academic career after its auspicious start. Seven feet tall by five feet wide by three feet deep, it was "taller than the man in the street, and wider and heavier and much, much cleverer", in the words of *Punch* magazine. It was a hydraulics model in which coloured water mimicked the circulation of money round the economy, showing how growth, trade, taxes and interest rates were interrelated. And it did as good a job then as computers do now.

The fame of the Phillips machine spread quickly. About 14 were built in all, including versions for the universities of Cambridge, Melbourne and Harvard, one for the Ford Motor Company and another

Joe Rogaly

The Lion studies its navel

A conference to show that Britain is great, showed only its insecurity

When you start counting your blessings, you know you are in trouble. If you insist that things are not as bad as you thought, you are confessing that something is wrong. Those who cry "pish" and "tush" to pessimism are crying for help. These ancient sayings, which I have just invented, or re-invented, swam around in my head as I sat in on bits of "Britain in the World" conference in London on Wednesday. The British are in better shape than, in their blustiest moods, they tell themselves: they are. Alas, that is not the problem.

The root of the matter is psychological. The politicians, the intellectuals, the thinking men of Europe's perturbed island lands are rarely of the counsellor's couch. The question is not how major or minor or medium-sized a power the United Kingdom is. The conundrum is why, when things are going as well for so many of us, our leaders need to prostrate, babbling about the nation's erstwhile glory, spluttering about its residual spheres of influence.

Germany? Pah! We British have one overwhelming advantage over them. We understand angst. Anxiety is our middle name; self-doubt our constant companion. We live in Great Britain. British



for the central bank of Guatemala. A couple languished for years in a basement at the LSE, but just over a week ago one was given pride of place in London's Science Museum, unveiled by the national heritage secretary.

The Phillips machine should not be dismissed as a useless relic of the pre-computer age. Today's academic economists are driving potential students away from the subject with their obsessive preference for theoretical complexity over real world relevance. The Phillips machine should remind them that an intuitive understanding of the basic processes which underlie economic behaviour is more useful than the pursuit of mathematics for its own sake.

The Phillips machine speaks to policymakers too. Subscribers to the received wisdom that control over interest rates should be taken from treasurers and handed to central banks would do well to repeat the demonstrations which Phillips carried out with the machine in the 1950s. One student would be appointed chancellor of the exchequer and given power over the public finances. Another would be governor of the Bank of England and given control over interest rates. Disaster inevitably followed as the unco-ordinated policies sent water flooding everywhere.

The Phillips machine is also a physical manifestation of the great psychological hang-up of economists: physics envy. The recent failures of the "dismal science" owe much to the simplistic belief that the task of the economist is like that of the engineer - to control a large and intricate machine which is complicated to understand, yet ultimately consistent and predictable in its behaviour.

But as anguished academics and giggling students came to

appreciate over the years, water-filled machines knocked together from army surplus oddments and lengths of fishing line behave in as bizarre and exasperating a manner as people and economies do.

Alban William Housego Phillips was born in 1914 at Te Rehuna, on New Zealand's North Island. He left school at 15 to become an apprentice electrician. Then for two years he travelled Australia with his violin, learning calculus by correspondence course while working at a Queensland goldmine.

Phillips then came to Britain and joined the Air Ministry. Sent to Java he won a military MBE by holding off a bombing attack on his ship for 3½ hours with a machine gun on an improvised mounting. Shortly afterwards he was imprisoned by the Japanese, in the company among others of the writer Laurens van der Post.

Van der Post later recalled how Phillips stole components

from the camp commandant to build a radio and how he invented a mini-immersion heater with which his fellow prisoners could make tea. The result was, when 2,000 cups were suddenly brewed, the lights of the camp dimmed alarmingly since the public supply of electricity in any case was feeble. The Japanese were mystified by this dimming of the lights every night at about 10pm. Van der Post

remembered. Phillips realised that these relationships could be clarified in a hydraulic machine in which water moving through plastic tubes represented flows of money, connected to tanks representing stocks. He gave some rough sketches to a fellow student, Walter Newlyn. Newlyn acted as a craftsman's mate, sanding and gluing pieces of perspex. More valuably, he helped Phillips model the relationship between the domestic and overseas economies. Money was tight, so they used whatever materials were to hand. Windscreen wiper motors from a Lancaster bomber were incorporated to pump the liquid around the machine. They also experimented with treacle and methylated spirits as alternatives to water, although not the Mountain Cadet which was tried on one occasion in the 1980s.

James Meade, then professor of commerce and later a Nobel

prizewinner, pressed him to finish the machine. Partly to get Phillips out of his office, Meade promised he could demonstrate it at a seminar chaired by Lionel Robbins. The machine dominated common room gossip for weeks beforehand.

The seminar was a great success. One lecturer recalled the reaction of Friedrich Hayek, another subsequent Nobel laureate: "I remember Fritz smoking his curly pipe and looking decidedly sceptical as the machine was operated. He maintained a quizzical expression of considerable scepticism for some time, then suddenly began to shake with internal laughter. At last, it had made

Continued on Page II

from the LSE for a degree majoring in sociology but including some compulsory economics. He was fascinated by the Keynesian view of the economy as a circular flow of income from workers to employers and back again, from which money leaked out as savings and imports and was injected as investment and exports. But the role of stocks and flows looked confused.

Phillips realised that these relationships could be clarified in a hydraulic machine in which water moving through plastic tubes represented flows of money, connected to tanks representing stocks. He gave some rough sketches to a fellow student, Walter Newlyn.

Newlyn acted as a craftsman's mate, sanding and gluing pieces of perspex. More valuably, he helped Phillips model the relationship between the domestic and overseas economies. Money was tight, so they used whatever materials were to hand. Windscreen wiper motors from a Lancaster bomber were incorporated to pump the liquid around the machine. They also experimented with treacle and methylated spirits as alternatives to water, although not the Mountain Cadet which was tried on one occasion in the 1980s.

James Meade, then professor of commerce and later a Nobel

prizewinner, pressed him to finish the machine. Partly to get Phillips out of his office, Meade promised he could demonstrate it at a seminar chaired by Lionel Robbins. The machine dominated common room gossip for weeks beforehand.

The seminar was a great success. One lecturer recalled the reaction of Friedrich Hayek, another subsequent Nobel laureate: "I remember Fritz smoking his curly pipe and looking decidedly sceptical as the machine was operated. He maintained a quizzical expression of considerable scepticism for some time, then suddenly began to shake with internal laughter. At last, it had made

Continued on Page II

from the LSE for a degree majoring in sociology but including some compulsory economics. He was fascinated by the Keynesian view of the economy as a circular flow of income from workers to employers and back again, from which money leaked out as savings and imports and was injected as investment and exports. But the role of stocks and flows looked confused.

Phillips realised that these relationships could be clarified in a hydraulic machine in which water moving through plastic tubes represented flows of money, connected to tanks representing stocks. He gave some rough sketches to a fellow student, Walter Newlyn.

Newlyn acted as a craftsman's mate, sanding and gluing pieces of perspex. More valuably, he helped Phillips model the relationship between the domestic and overseas economies. Money was tight, so they used whatever materials were to hand. Windscreen wiper motors from a Lancaster bomber were incorporated to pump the liquid around the machine. They also experimented with treacle and methylated spirits as alternatives to water, although not the Mountain Cadet which was tried on one occasion in the 1980s.

James Meade, then professor of commerce and later a Nobel

prizewinner, pressed him to finish the machine. Partly to get Phillips out of his office, Meade promised he could demonstrate it at a seminar chaired by Lionel Robbins. The machine dominated common room gossip for weeks beforehand.

The seminar was a great success. One lecturer recalled the reaction of Friedrich Hayek, another subsequent Nobel laureate: "I remember Fritz smoking his curly pipe and looking decidedly sceptical as the machine was operated. He maintained a quizzical expression of considerable scepticism for some time, then suddenly began to shake with internal laughter. At last, it had made

Continued on Page II

from the LSE for a degree majoring in sociology but including some compulsory economics. He was fascinated by the Keynesian view of the economy as a circular flow of income from workers to employers and back again, from which money leaked out as savings and imports and was injected as investment and exports. But the role of stocks and flows looked confused.

Phillips realised that these relationships could be clarified in a hydraulic machine in which water moving through plastic tubes represented flows of money, connected to tanks representing stocks. He gave some rough sketches to a fellow student, Walter Newlyn.

Newlyn acted as a craftsman's mate, sanding and gluing pieces of perspex. More valuably, he helped Phillips model the relationship between the domestic and overseas economies. Money was tight, so they used whatever materials were to hand. Windscreen wiper motors from a Lancaster bomber were incorporated to pump the liquid around the machine. They also experimented with treacle and methylated spirits as alternatives to water, although not the Mountain Cadet which was tried on one occasion in the 1980s.

James Meade, then professor of commerce and later a Nobel

prizewinner, pressed him to finish the machine. Partly to get Phillips out of his office, Meade promised he could demonstrate it at a seminar chaired by Lionel Robbins. The machine dominated common room gossip for weeks beforehand.

The seminar was a great success. One lecturer recalled the reaction of Friedrich Hayek, another subsequent Nobel laureate: "I remember Fritz smoking his curly pipe and looking decidedly sceptical as the machine was operated. He maintained a quizzical expression of considerable scepticism for some time, then suddenly began to shake with internal laughter. At last, it had made

Continued on Page II

from the LSE for a degree majoring in sociology but including some compulsory economics. He was fascinated by the Keynesian view of the economy as a circular flow of income from workers to employers and back again, from which money leaked out as savings and imports and was injected as investment and exports. But the role of stocks and flows looked confused.

Phillips realised that these relationships could be clarified in a hydraulic machine in which water moving through plastic tubes represented flows of money, connected to tanks representing stocks. He gave some rough sketches to a fellow student, Walter Newlyn.

Newlyn acted as a craftsman's mate, sanding and gluing pieces of perspex. More valuably, he helped Phillips model the relationship between the domestic and overseas economies. Money was tight, so they used whatever materials were to hand. Windscreen wiper motors from a Lancaster bomber were incorporated to pump the liquid around the machine. They also experimented with treacle and methylated spirits as alternatives to water, although not the Mountain Cadet which was tried on one occasion in the 1980s.

James Meade, then professor of commerce and later a Nobel

prizewinner, pressed him to finish the machine. Partly to get Phillips out of his office, Meade promised he could demonstrate it at a seminar chaired by Lionel Robbins. The machine dominated common room gossip for weeks beforehand.

The seminar was a great success. One lecturer recalled the reaction of Friedrich Hayek, another subsequent Nobel laureate: "I remember Fritz smoking his curly pipe and looking decidedly sceptical as the machine was operated. He maintained a quizzical expression of considerable scepticism for some time, then suddenly began to shake with internal laughter. At last, it had made

Continued on Page II

from the LSE for a degree majoring in sociology but including some compulsory economics. He was fascinated by the Keynesian view of the economy as a circular flow of income from workers to employers and back again, from which money leaked out as savings and imports and was injected as investment and exports. But the role of stocks and flows looked confused.

Phillips realised that these relationships could be clarified in a hydraulic machine in which water moving through plastic tubes represented flows of money, connected to tanks representing stocks. He gave some rough sketches to a fellow student, Walter Newlyn.

Newlyn acted as a craftsman's mate, sanding and gluing pieces of perspex. More valuably, he helped Phillips model the relationship between the domestic and overseas economies. Money was tight, so they used whatever materials were to hand. Windscreen wiper motors from a Lancaster bomber were incorporated to pump the liquid around the machine. They also experimented with treacle and methylated spirits as alternatives to water, although not the Mountain Cadet which was tried on one occasion in the 1980s.

James Meade, then professor of commerce and later a Nobel

prizewinner, pressed him to finish the machine. Partly to get Phillips out of his office, Meade promised he could demonstrate it at a seminar chaired by Lionel Robbins. The machine dominated common room gossip for weeks beforehand.

The seminar was a great success. One lecturer recalled the reaction of Friedrich Hayek, another subsequent Nobel laureate: "I remember Fritz smoking his curly pipe and looking decidedly sceptical as the machine was operated. He maintained a quizzical expression of considerable scepticism for some time, then suddenly began to shake with internal laughter. At last, it had made

Continued on Page II

from the LSE for a degree majoring in sociology but including some compulsory economics. He was fascinated by the Keynesian view of the economy as a circular flow of income from workers to employers and back again, from which money leaked out as savings and imports and was injected as investment and exports. But the role of stocks and flows looked confused.

Phillips realised that these relationships could be clarified in a hydraulic machine in which water moving through plastic tubes represented flows of money, connected to tanks representing stocks. He gave some rough sketches to a fellow student, Walter Newlyn.

Newlyn acted as a craftsman's mate, sanding and gluing pieces of perspex. More valuably, he helped Phillips model the relationship between the domestic and overseas economies. Money was tight, so they used whatever materials were to hand. Windscreen wiper motors from a Lancaster bomber were incorporated to pump the liquid around the machine. They also experimented with treacle and methylated spirits as alternatives to water, although not the Mountain Cadet which was tried on one occasion in the 1980s.

James Meade, then professor of commerce and later a Nobel

prizewinner, pressed him to finish the machine. Partly to get Phillips out of his office, Meade promised he could demonstrate it at a seminar chaired by Lionel Robbins. The machine dominated common room gossip for weeks beforehand.

The seminar was a great success. One lecturer recalled the reaction of Friedrich Hayek, another subsequent Nobel laureate: "I remember Fritz smoking his curly pipe and looking decidedly sceptical as the machine was operated. He maintained a quizzical expression of considerable scepticism for some time, then suddenly began to shake with internal laughter. At last, it had made

Continued on Page II

CONTENTS



Fashion: Meet the model inside the designer dress IV

Perspectives: Memorial to the princess lily flowers III

Sport: The Masters golf tournament - will it play fair this year? VI

Weekend Investor: Four pages of facts and figures for investors XIX-XXII



Food: Recipes for fools young and old VII

Books: Julian Barnes, master of defensive British irony X

Arts XII-XIII

Books Guide XII-XIII

Bridge, Chess, Crossword XII-XIII

Fashion IV

Food & Drink VII

Gardening VIII

How To Spend It V

Motoring VIII

Perspectives II, III, XVIII

Property VIII

Science II

Small Business II

Sport VI

Travel XIV, XV

NEXT WEEK

Fear of flying: the modern phobia

EVERY 2nd HOME COMES COMPLETE WITH ITS OWN CHAMPIONSHIP GOLF COURSE

Escape to the perfect second home at Overstone Park, alongside our own 18-hole golf course.

Unlimited golf and relaxation & Health and

Leisure Club with swimming pool, gymnasium,

steam room, spa bath and sauna & Club bar

and brasserie & Private trout fishing lake &

To find out more, or to make an appointment

to view call

016

PERSPECTIVES

The Nature of Things

Insect lessons for programmers

Andrew Derrington explains why BT is on an ant trail

The ant has always been regarded as a model worker. Indeed it has just received a boost to its reputation as a sophisticated engineer. And computer scientists at British Telecom's Martlesham research laboratories think that imitating ants may be the best way to run the increasingly complex telephone switching centres of the future.

The latest example of the ant's engineering prowess comes from the discovery by scientists at the University of Wurzburg that leaf-cutter ants use a biological version of the vibratome - a sophisticated laboratory instrument for cutting soft tissue.

The vibratome uses a rapidly oscillating blade to slice soft tissues (such as those of the brain) cleanly into ultra-thin slices that can be examined under a microscope. Older instruments require the brain, which is about the same consistency as blancmange, to be frozen solid, or embedded in wax, before it can be cut without tearing.

The ant uses exactly the same technique. It makes a chirping sound, vibrating its mandible about 1,000 times a second as it cuts. The vibrating mandible cuts the leaves more smoothly, and had been doing so for millions of years before engineers thought of the trick.

BT's expectations of the ant owe nothing to its engineering skill. Indeed it is rather the reverse. Computer scientists see the ant as a stupid insect accomplishing complex tasks by following simple rules

(1) Wander about looking for food.

(2) If you find food take some home, marking trail as you go.

(3) If you find a trail and you have no food follow the trail to the food.

(4) When you get home, put the food down and go back to the trail.

These rules ensure that all the ants are either scouring the countryside for food, or on a trail bringing the food back to the nest. They do not have to be clever, or to be told what to do, they just follow the rules.

Computer scientists see the ant as a stupid insect accomplishing complex tasks by following simple rules

Not only is there no central controller, there are no specialists on whom the task depends. All the information needed to co-ordinate the task is stored on the ground in the scent trails left by the ants. If an ant does others will take its place and the task will continue.

Researchers at BT are very excited about the way the ant works because, like other telephone companies around the world, they face a task of staggering complexity in controlling the switches that send telephone calls along the paths through a network.

The control of the switches is centralised, but the task is enormous. BT's £260 network is controlled by computer programs millions of lines long, and fine-tuned by human operators. It is impossible to be sure that a programme of that

is the professor of psychology at the University of Nottingham.

MINDING YOUR OWN BUSINESS

READERS ARE RECOMMENDED TO SEEK APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

PROJECT IN AFRICAN/CIS COUNTRIES

Large Indian Engineering company group with extensive relevant experience seeks well established European/Asian company for discussions with a view to participation in installation of plants in Africa or CIS countries on joint venture basis:

- Small oil/gas fired power generating plant
- Automotive battery manufacturing plant
- Electrical cable manufacturing unit
- Steel mill producing rod/bar from billet
- Telecommunication jelly filled cable manufacturing unit.

Interested parties invited to contact - The UK representative.

Helfusion Ltd. Tel: 01202 681118
50 Willis Way Fax: 01202 665720
Poole, Dorset BH15 3SY Quoting ML95 NIC

BUSINESS OPPORTUNITIES DIRECT WITH CHINA
If you are interested in working direct with China in connection with your business please contact: CHINESE COMMERCE AGENCY - in association with CCIOIC - CCPIT & CHINESE CHAMBER OF COMMERCE

20, Rupert Street, London W1V 8AN
FAA/TEL: 0171 224 8099 FAX/TEL: 0171 434 3636

USED TYRES

We supply quality PARTLY WORN CAR and TRUCK tyres.

Also CASINGS (for remoulding) in ALL SIZES, WORLDWIDE.

A complete professional service.

For quotation please fax sizes of interest to ENGLAND

Fax: +44 (0) 1482 221731

INTERNATIONAL FUND NEEDS INVESTMENT BANKERS to deal with high net worth individuals, banks, insurance co. and funds. Excellent compensation and benefits. Must have 10 years experience. For resume New York 212-759-8137

AUCTIONS

Next Auction

of life assurance policies

for investment

on 5th April 1995 at 11.00am

Churchill Hotel, Portland Sq, W1

plus Seminar for investors at 10.30am

Policy Auctions Ltd

1st 0121 342 2200 for catalogue & details

Regulated by the Personal Investments Authority

Business Advertising also appears

on Page XV, Section 3

BUSINESSES FOR SALE

ARTICLE SHOP

The island that saved Japan's emperor

Okinawa remains scarred, 50 years after the first US attack, writes Gerard Baker

At the southern tip of Okinawa's island, above wind-swept cliffs that tumble into the Pacific, an annual tour bus decays sightseers in front of a rocky outcrop. There, tourists from the Japanese mainland line up neatly for their glimpse of one of the more poignant of war memorials.

In a grotto, almost hidden by souvenir shop and food stalls, stands a slab of local marble inscribed with a memorial to the Himeyuri, the bride of "princess lily flowers".

The monument and the little museum next door movingly document the last days of the princess lilies. They recount how, in the crazed denouement of the second world war, schoolgirls from southern Okinawa were conscripted by the Japanese army into a nursing corps, the Himeyuri, tending the wounded and burying the dead as a battle raged around them.

When defeat was obvious, the Japanese commanders disbanded the unit but the nurses were ordered not to surrender to the barbarian hordes of American soldiers, who, they were told, would rape and murder them if they were taken alive. Terrified, the girls, none older than 19, fled into the caves of southern Okinawa. There, more than 250 of them met their deaths — some blowing themselves to pieces with hand grenades, others blasted by US marines who misook them for soldiers.

The memorial is a reminder of the horror of what proved to be the last great battle of the second world war. It began 50 years ago today and claimed the lives of more than 12,000 US and 100,000 Japanese military. In the next few months a series of 50th anniversary commem-

orations will take place in the spirit of reconciliation between former enemies that marks these events. But for the Okinawan people the anniversary and the monuments represent much more. The dedication to the Himeyuri stands as a silent, eloquent reproach to the Japanese nation, which cynically used the islanders, supposedly their own compatriots, as a convenient shield in the ferocious Battle of Okinawa.

That battle cost the island more than 100,000 of its own people — a third of the entire population — sacrificed to preserve the "motherland" that cared little for them.

Before 1945, few Japanese knew much about Okinawa. The largest of the sub-tropical Ryukyu Islands, 500 miles off the southern tip of Japan, Okinawa had been an independent kingdom for centuries. But in 1879, the islands were annexed by a newly confident Japan, which abolished the ancient monarchy.

The military government that took power in Tokyo in the 1930s was the first, however, to spot the strategic significance of Okinawa, midway between the home islands and the expanding outposts of the East Asian Japanese empire. All

traces of Okinawan culture were systematically eradicated. According to Zenshun Arakaki, a member of the Okinawan legislature, "local people were regularly executed for speaking in local dialects rather than Japanese". The islanders were taught of the glory of dying for "their" emperor.

With the war came a new urgency and, as the tide turned against the Japanese in 1944, the defence of the island was prepared. Japanese soldiers began pouring in and Okinawan males from 12 to 70 were hastily conscripted.

One of those called up was a 19-



Fifty years after the Americans first came to Okinawa, the US still has 40,000 servicemen stationed on the island

Hutchinson Picture Library

year-old schoolboy, Masahide Ota. Ota remembers that the defence strategy was never intended to protect Okinawa itself. The island was used to entrap the American forces and inflict massive losses on them. The real point was to protect what mattered most — Japan's main island.

The leaders in Tokyo never thought seriously of defending Okinawa. Their aim was to keep the Americans here as long as possible — at whatever cost to the people on the island," says Ota.

The imperial headquarters showed little interest in supplying the island with a full naval and air

defence, according to Masae Ishihara, a historian at the University of Okinawa. Instead, the island and its half a million citizens were treated "like a sacrifice stone in the Japanese game of Go," says Ishihara, "a stone that is given up to protect other stones occupying a more valuable space".

For the US, the capture of Okinawa was essential to the larger goal of invading the main islands of Japan. It would serve as a vital base for the assault that was expected to take place later in the year.

The invasion began deceptively quietly on April 1, Easter Sunday. The US forces, expecting the same

sort of ferocious defence they had overcome at Iwo Jima a month earlier, were surprised at how easily they were able to take control of the central part of the island. After a week they had met such little resistance that one officer urgently cabled his superiors: "Please send us a dead Jap. Our men have not seen any. We will bury the corpse for you."

They did not have to wait long. The bulk of the Japanese military and Okinawans had been moved to the south of the island, secreted in foxholes and caves. From these heavily defended positions they began to inflict severe casualties on

the Americans.

For two months, the American forces advanced slowly through the scorched earth of Okinawa, gradually pushing the Japanese south.

The Japanese, though suffering heavy losses, continued to keep their enemy pinned on the island. Despite the losses and the certainty of ultimate defeat, they fought on, instructing the Okinawans under their command to do the same and retreating to defensive positions at the southernmost tip of the island.

The battle ended on June 26 with the ceremonial suicide of the leading Japanese officers. They expected their Okinawan "brothers" to do

the same. Many, like the Himeyuri nurses, dutifully obeyed.

Before he died at his own sword, the Japanese commander, Lt-Gen Mitsuru Ushijima, spoke of the Japanese triumph. In his final order, he wrote: "It is a matter for congratulation that the 32nd Army has been able to carry out its mission successfully. Our days are now numbered, and all surviving units must fight to the last man."

Gen Ushijima's verdict was reflected by the US decision to abandon its plans to invade the main islands, concerned not to repeat many times over the experience of Okinawa. Its commanders chose instead to use atomic weapons, and so end the war quickly.

But the grisly sacrifice of Okinawa, according to Ishihara, did succeed in one crucial respect: "One of the main aims of the Japanese was to prevent the invasion of Japan, and thereby to preserve intact the emperor system. Japan still has its emperor," he observes bitterly.

Today, the legacy of the bloodiest battle of the Pacific war is evident all over the island. It is not just in the dozens of war memorials visited by reflective Japanese and foreigners, but in the continuing and more conspicuous presence of 40,000 US servicemen. The Americans stayed on after the war, occupying Okinawa until 1972, when it was handed back to the Japanese government. But their soldiers, marines and airmen are there still, and they have used it as a forward base for the conduct of successive US operations in Asia, from Korea to Vietnam.

Masahide Ota is also still there — he is now governor of the Japanese prefecture of Okinawa. His main preoccupation these days is the removal of some of that firepower from his shores. "Our past and our present are tragically united by military objectives," he says.

This is a bitter legacy for the islanders. Despite the end of the cold war, the Americans remain in force.

The Okinawans do not really blame the Americans. Their real ire is saved for the Japanese government. The US troops are there, despite Okinawan protests, as part of successive US-Japan security treaties. Most islanders believe they remain on Okinawa — 70 per cent of the total US firepower stationed in Japan is on the island — because it suits the Japanese government to have them there rather than on the main islands.

"In the war we were a convenient tool for the Japanese government," says Arakaki. "It hasn't changed. We are still that tool, still no more than a useful weapon in a bigger strategic game."



Police are exhorted to treat fans as you'd want your relatives treated

A game of three categories

Paul Cheeseright explains how police monitor football

Along one side of the cell is a concrete bench, more uncomfortable than the plastic seats in the stands.

Villa Park these days is an all-seater stadium. For the

police that is a mixed blessing. It does hinder the ability of the fans to move around the

ground," said Inspector Boyd Kelly, who co-ordinates football policing in Birmingham's D Division. "It also hinders us, for that matter."

From the police point of view, the idea is to keep the fans out of the ground, or failing that, to keep an eye on them. Football intelligence is now developed enough for the police to know the potential troublemakers.

After the briefing, Conway climbed into the control room which is perched high in the stands. Here police and club officials sit side by side. Conway flanked by his radio controller. The club has 180 stewards who act as the first line of control. A bank of eight camera monitors shows what is happening in and around the ground. The cameras have zoom lenses which can pick out people as if they are 12ft away.

By the time the game started

nearby 20,000 people were in the ground. The major problems these days are in the crowd management rather than public safety aspects," said Conway, a classics graduate with a crew-cut and not the slightest interest in football as a game.

West Ham scored after 11 minutes. The radio traffic started. "Bronze Two, there's been a punch-up in your corner," "Yellow Two, can you get over to the Trinity Road enclosure where it meets the Hulme."

Five West Ham fans, Kelly explained, "managed to buy tickets on the Villa side and that's always a problem. They tend to be very territorial".

Conway, who apart from being six inches shorter, gives the same air of avuncular commonsense characteristic of the fictional Dixon of Dock Green 40 years ago, sorted it out. He calmed down the West Ham fans and had them ejected from the ground. "They were a bit vocal, no sense of humour today," Conway pointed out.

As it turned out, he didn't need it. The day's arrests totalled 10: eight were drunks trying to enter the ground, two were for disturbing the peace. A noisy afternoon in the cells.

"They were a bit vocal, no sense of humour today," Conway said. "I talked them out, which is what you'd expect from a man of his experience," said Kelly.

"We seek to resolve these incidents quickly, damp them down before they get out of hand, it's a bit like a forest fire," explains Conway. "It

takes time for the fans to get settled. Then it calms down, depending on what happens on the pitch, until towards the end of the game."

In fact, it was events elsewhere that proved more important. Though three detachments of police — each a sergeant and seven constables — had been immediately outside the ground, two of them were called into Birmingham city centre because of a bomb scare. "There's not a lot of help immediately available," Conway pointed out.

As it turned out, he didn't need it. The day's arrests totalled 10: eight were drunks trying to enter the ground, two were for disturbing the peace. A noisy afternoon in the cells.

"They were a bit vocal, no sense of humour today," Conway pointed out.

Outside the ground, the fans dispersed, some from West Ham cheering and chanting at an unexpected victory, the majority of Aston Villa supporters quiet and resigned.

"The singers and shouters are not the ones who cause the problems. The real hard core of troublemakers stand on the periphery and try not to draw attention to themselves," Kelly explained.



The Drottningholm Opera Festival with the Financial Times

Thursday 1st June - Sunday 4th June

SUGGESTED ITINERARY
THURSDAY 1ST JUNE
Depart Heathrow terminal 3 on either flight SK526 or SK1532 (your choice)
Transfer to Lady Hamilton Hotel, Stockholm Old Town.
FRIDAY 2ND JUNE
Evening performance of *Cavalleria Rusticana / Pagliacci*, at The Stockholm Opera House.

This is the FT's first invitation to Sweden, is made in the year which has seen the opening of our Swedish printing site at Jonkoping.

PRICES
£595. Single Room supplement £19. Insurance £19.
Prices are per person sharing a double room with shower and wc, on a bed and breakfast basis. They include scheduled economy air travel by SAS from Heathrow, best category opera tickets for both performances, transfers, boat tickets and all taxes. Alternative flights (dates or departure airport) can be quoted on request. All elements of this invitation are subject to availability.

This tour is organised on behalf of the Financial Times by J.M.B. Travel Consultants Ltd ATOL 359.
The information you provide will be held by us and may be used by other select quality companies for mailing purposes.

Drottningholm

To: Nigel Pullman, Financial Times, Southwark Bridge, London SE1 9HL. Fax: 0171-873 3072
Please send me further details of the FT invitation to Drottningholm.

TITLE..... INITIAL..... SURNAME.....

ADDRESS.....

POST TOWN..... COUNTY..... POSTCODE..... TEL NO.

Only a limited number of performance tickets are available. To receive further details of this FT invitation please complete the coupon opposite.

FASHION

Which way next, after fashion's three-way split?

Paris will soon give up its recent extremes in favour of wearable clothes, says Avril Groom

If the more extreme

designers have their way, something strange could soon happen to the female figure.

Their preferred silhouette for autumn, as revealed at the recent international collections, is so unwearying that, after a final burst of curves next autumn, the scene will be set for a new direction.

Vivienne Westwood, in particular, has promoted distortions of the womanly outline – first, height-exaggerating platform shoes and then a bustle giving the illusion of enormously rounded hips. These shock tactics jolted other designers' minds away from shapeless waists and back to feminine elegance, recalling the 1950s.

In came retro features: a broader, sharply-defined shoulderline, tapered skirts and tiny waists emphasised by padded hips, expressed most eloquently in John Galliano's couture-inspired spring 1995 collection. For next autumn other designers, notably Thierry Mugler and Claude Montana, who together invented the power shoulder at the start of the 1980s, have redrawn this extreme silhouette even more aggressively. And Westwood has, with simple logic, balanced the bustle with a vast, cantilevered and padded bosom.

In so doing, she has thrown the evolutionary process of fashion into relief as rarely before. Designers' ideas and, therefore, trends are not conjured from thin air. They are the results of common experiences and influences, both creative and commercial.

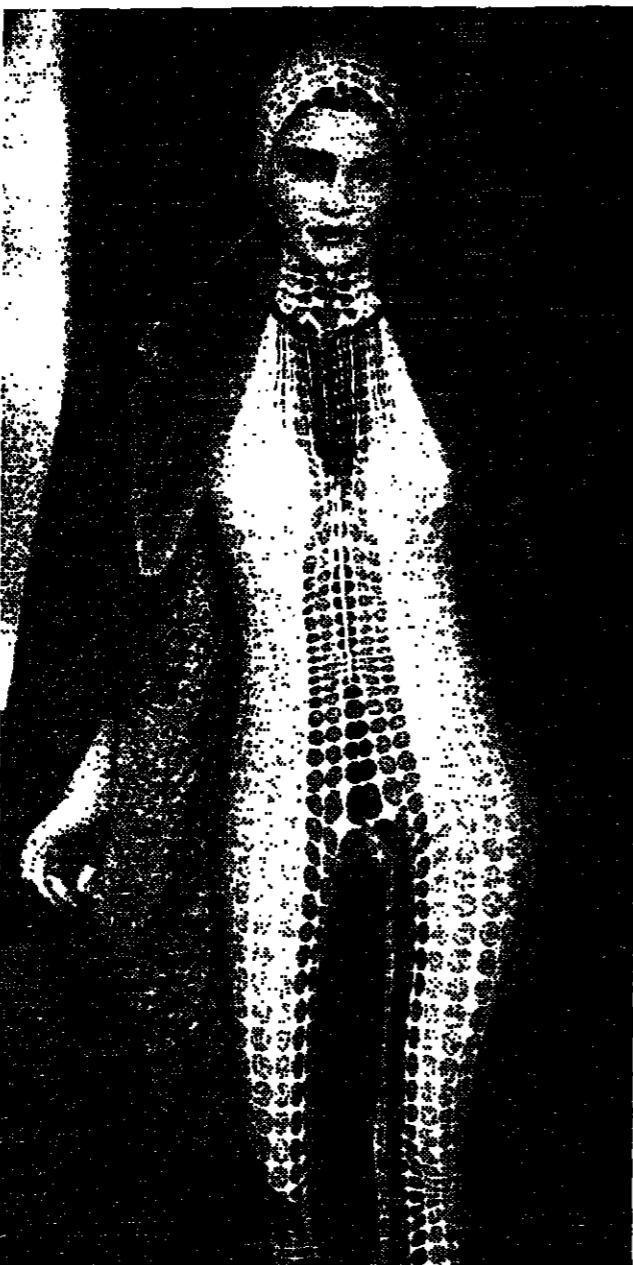
Each season one or two people catch and define this *Zeitgeist* better than any others and thus set the fashion tone. Those who do it consistently become the "great" designers.

The weight of ideas from all the shows in four fashion capitals each season is confusing, especially to the consumer. Yet the pattern for next autumn and beyond emerges with unprecedented clarity.

Fashion is at one of its periodic crossroads. Because it is so extreme, the "artificial woman" look is at the end of one avenue of design thought. The caricaturing of the female form can go no further. Fashion must evolve beyond it. This look thus contains the seeds of its own downfall, and already the next – diametrically opposite – shape is being developed in Paris.

Ideas from designers at the extreme edge of this over-curved style – Westwood, Galliano, Mugler – will directly affect only the rarefied few who buy from them. But their influence will undoubtedly make the commercial fashion world tick next season. It works in two ways.

The more obvious, and saleable, is the 1950s-influenced style which will reach its apogee for autumn. With adverse European trading conditions reminding designers that sales figures are at least as important as new ideas, these are the now-familiar shapes that will guarantee commercial success.



TODAY'S CYBERPUNKS: Jean Paul Gaultier's futuristic comic strip



Rifat Ozek joined the vanguard for cartoon fantasy styles



Christian Lacroix's silky parka is evening wear for the urban older



FUTURE WEARABILITY: The future according to Comme des Garçons, Chanel and John Galliano, who all showed unfitted shapes that are the antithesis of the current exaggerated hourglass style

looking versions of suits, short coats and skinny knits in fresh-looking pinks and lavenders, while Ann Demeulemeester's characteristically backfastened, shapey tunic in leather or suede is one of autumn's most interesting and wearable new shapes.

Not all designers look backwards. The other face of the artificial woman is a futuristic cyberpunk. This incarnation of every cartoonist's fantasy female fighter from Barbarella to Catwoman, grafts the extreme hourglass shape on to Chanel's fake fur and PVC-clad urban skier of a year ago. The scope for padded shoulders, metal breastplated and skin-tight PVC is exploited to the full by Mugler, Rifat Ozek and Jean Paul Gaultier.

Yet this, too, has its commercial counterpart in Montana's faultlessly-seamed, pestle-waisted parka with matching catsuit; in Martine Sitbon's shimmering anorak with panne velvet and, in an imaginative leap, in Christian Lacroix's silky evening parka over glistening lace knit.

Gaultier, whose unerring commercial instincts have to be unearthed from a welter of showbiz-style distractions, showed bruise-eyed Gothic horrors to a set like an industrial wasteland and yet uniquely managed to merge the season's two main themes with computer-graphic catuits worn under saleable and sensible retro-tailored suits and coats.

The season's evolution follows the hourglass to its vanishing point. What comes next will be a *volte face* and its first stirrings are plain to see, primarily in the hands of Karl Lagerfeld.

His supporters would argue that he is made a great designer by his prescience, his ability to know what women want to wear before they know it themselves, and that this is the latest example. The cynics would say that, as Paris's most prolific designer with three collections each season (Chloé, Lagerfeld and Chanel) he wants to wrest back the design initiative from the likes of Westwood and Galliano.

The truth is probably a mix of both, prompted by Paris's growing dominance in the fashion world. Paris welcomes talented designers – there were more than 50 official catwalk shows and numerous other presentations this season. The result has been a dilution of its home-grown talent, to the discomfiture of French pride.

In this year's designer creativity chart compiled by the influential *Journal du Textile* from the votes of an international (but mainly French) panel, Galliano and Westwood are in positions two and three, behind Lagerfeld. Lagerfeld may be of German origin but his labels are so Parisian that the fashion establishment would be delighted to see him back on top.

His bid for success is the antithesis of the hourglass – an unfitted shape that is, he says, technically even harder to cut elegantly than strict tailoring. At Chanel it is based on the casual wrap of a studio

assistant's white coat, at

Lagerfeld on a sack dress and square-cut jacket and at Chloé on a lumpy, pleat-backed shape which nobody quite understands.

The idea was already a not-so-successful twinkle in the



TODAY'S STRONG CURVES: Vivienne Westwood led the fashion for bustles and busts



Feminine retro harking back to the 1950s: Yves Saint Laurent

Flying the kite for glamour: Valentino's womanly forms

relaxed as well as sexy. Other designers are already flying the same kite. Valentino's square-cut boleros and pea jackets have their counterparts at Saint Laurent. Comme des Garçons' shrug-on loose tweeds in delicate pastels, and straight, layered silk and lace dresses, have echoes at Chloé. Lacroix's loose, wrapped layers of Japanese-inspired silk prints and velvets might be partnered by fitted tailoring but they have a soft 1920s mood.

Straight styles will not impinge just yet on most buyers or consumers. Lagerfeld himself showed relatively few among the ranks of his more familiar fitted jackets. He will be content to wait. Three years ago, fashion editors unanimously condemned as dowdy his new knee-length skirt, then shown at Chanel with flat lace-ups and ankle-socks. They were right; the style needed glamourous high heels to make it work. But it is precisely this length which most of them now think of as the last word.

Photographs: Niall McInerney

Meet the woman inside the designer dress

Avril Groom goes backstage in Paris to find out what motivates top model and heiress Carla Bruni

It is one hour before lift-off at the Chanel couture show in Paris. Backstage, model Carla Bruni has a tiny sandwich in one hand, a cigarette in the other, no make-up and a couturier is giving her a stiff brush-off with what looks like an instrument of torture. Other girls are sitting around chatting, already made-up and awaiting the final touches but Bruni has just arrived, straight from her last fitting for Christian Lacroix's show.

Normally, she tries to be backstage two hours beforehand, but today's schedule did not allow it. There is no way she can hurry a top couturier who is painstakingly pinning one of his works of art into a perfect fit. After the Chanel show is over, while the backstage crowd is still guzzling champagne and telling designer Karl Lagerfeld how formidable the show was, she will be off again, round to the Ritz for a totally different look and the first of Guy Laroche's two evening shows.

The much-reported absence of supermodels such as Naomi Campbell, Linda Evangelista and Kate Moss from this spring's couture shows has focused attention both on the inflated rewards for having the right look at the right time, and on the girls who



Backstage: Carla Bruni at work. She never looks less than classy

might otherwise be eclipsed from the tabloid pages. Not that Bruni is a second-division player. Her fee for a recent two-day advertising shoot for a British chainstore was £20,000; she has been the face of big campaigns such as the Givenchy perfume Ysatis and Bally shoes, and her name has been linked with various male superstars such as Mick Jagger.

What makes her interesting is that, despite a punishing professional schedule, she does not have to work at all. It is easy to understand the ambition of a beautiful girl plucked from a mundane suburban existence to be a covergirl. But here is a woman whose inherited wealth, made in industrial Turin, caused her father to move his family from Italy to Paris when she was five because of a Red Brigade kidnapping threat. So what makes Carla run?

I asked her this question in the stuffy, low-ceilinged room that passes for the backstage facility behind the grand set for Versace's show at the Ritz. In the heat of the make-up lights, she picks her way across a jumble of chairs, lipstick-covered tissues and Nadja Auermann's endless legs to find somewhere to perch for a smoke and a glass of mineral water.

She thinks carefully about her motives for hard work, perhaps wanting to avoid the

obvious clichés of vanity and money. When she answers, in lightly-accented English, the reason is surprising, given her background. "I work for self-esteem and psychological well-being. It is not good to take money from your parents even when they can afford it. I didn't set out to make a lot of money, just to be independent, but finding when you are young that you can make money is very pleasant."

Her ready-made wealth has perhaps fitted her better than most to cope with the pressures of the job. Far from being dazzled by the so-called glamour, she takes a coolly practical approach, regarding her looks as her tools.

"I am professional because there is no point in doing any job unless you do it properly. A good model learns everything about her physical self, so she can always look her best. If I have a puffy face, I know what to do."

She is sensitively aware of the "bad side" of the job to which less well-prepared girls can fall prey. "You travel the world staying in grand places and meeting interesting people so it is easy to become detached from reality. You can become paranoid about rejection – something we all face because there is so much choice. You need to keep at

peak strength and fitness, which you can't if you take all the party opportunities."

She comes from a family in which the work ethic is strong – both parents are musicians; her brother is a graphic artist and her equally good-looking sister, Valeria, is an art film actress currently adorning the Paris billboards. Thus she takes seriously a job that some might see as trivial.

"I love fashion. I like to see the possibilities in even an unpromising outfit. I look carefully at everything I am asked to wear. It's no good sulking if something doesn't suit – I'm being paid to make it look as good as it can." This is another reason for her adoring advertising clientele.

One perk of doing the couture shows is being able to borrow sumptuous outfits for special occasions. But that is not the reason that she and other top models agree to do these shows, for rates much less than the often-quoted \$10,000 (£6,000). Pay is between \$2,000 and \$4,000 a show which pales beside the \$40,000 a supermodel might earn on a day's top advertising shoot. It also includes the hours of preparation work standing still being fitted in the traditional manner, the rehearsals, the waiting around in unglamorous backrooms

and one or two strenuous shows.

The real pay-off is the worldwide coverage of Bruni in the most glorious clothes fashion produces, and the effect of these pictures on advertisers seeking a face for their latest, lucrative campaign.

After the show is over, she is insistent on having another life away from fashion. She has wide artistic interests; her current boyfriend, despite his long-haired good looks, is an *homme sérieux*, a successful French lawyer. Her outlook should stand her in good stead in the future.

At 26 and with only the merest suspicion of laughter lines round her eyes, Bruni's career is far from over but she is well aware of sell-by dates. "As with men, I would rather leave than be left," she says. "When the bookings start to slow up I will stop."

She has not planned what comes next but has wisely avoided following some other so-called superstar models into half-baked attempts at acting, singing or writing. She says she is not ambitious and is keen to have a family, looking forward to responsibilities modelling lacks. "It is too easy for us," she says. "If a picture looks bad, people blame the designer or the photographer, but rarely the model."



The real Bruni: thinking about life off the catwalk

Ben Cawley

HOW TO SPEND IT



The fun and pizzazz of Lacroix.

Lacroix: the whole works

Lucia van der Post enthuses on behalf of ladies who lunch

Next Tuesday will be a big day for Bond Street, London, and a very big day for ladies who lunch and those who love fashion in its most gloriously flamboyant and colourful form. For that is the day that four floors of a Georgian House at 29 Old Bond Street will carry the complete Christian Lacroix range.

There has been a small shop on Sloane Street for some time but 29 Old Bond Street is an outlet of an entirely different order. Apart from the excitement of having almost the complete range of Lacroix's special brand of theatrical clothing and accessories available, Roberto Devork, who is opening the shop as a franchise, is going to bring over most of the *haute couture* collection twice a year.

Ever since Lacroix opened his *haute couture* maison in Paris 7½ years ago (the first designer to do so for about 20

years) he has added to the gallery of the fashion scene.

His exuberant collections of beads and embroidery, brilliant colours and sumptuous fabrics caught the imagination even of those whose personal taste ran more to the more *raffine* elegance of Armani or Calvin Klein.

Lacroix's *haute couture* collections - backed with \$2m of LVMH money - have continued to stim and capture the headlines but, they have failed to deliver the profits. These, in accepted Parisian style, are delivered by the accessories and the second lines. The only way to make real money is to use the fun and pizzazz on which to expand, which is of course, what the new shop is all about.

Here, fans will be able to indulge themselves in the complete world of Lacroix - they will be able to spend thousands of pounds on *haute couture*, and hundreds on the *prêt-à-porter*.

The Lacroix embezzlement which has caught the imagination of the fashion world

ter and Bazar (his "younger" less expensive ready-to-wear range) and accessories.

His *prêt-à-porter*, it seems generally accepted, is in a class of its own. Whereas even the most fastidious couturiers turn to China and India for embroideries for their second lines,

Lacroix continues to use only the output of Lessage, chief embroiderer to the couturier world.

He also uses double satin, duchesses, silks, velvets, finest *faille* and many of the other ingredients that make *haute couture* so special.

Given that the prices of his *prêt-à-porter* are something like a third of the price of *haute couture* (for a jacket expect to pay somewhere between £200 to £2,000, for evening wear between £685 and £2,500) this makes them especially desirable. No wonder someone like Barbara Tuchila, a highly fashionable Italian socialite, no longer feels any need to buy high-priced couture and buys Lacroix *prêt-à-porter* instead.

The younger Bazar range has been on sale at Christian Lacroix in Sloane Street, Harvey Nichols, Harrods and Selfridges for the last season where it has been a huge success and is almost completely sold out - no wonder when a jacket at about £200 or a skirt at about £100 costs about the same as an offering in a high street chain. Bazar made £14m profit in its first year alone.

The new shop will be selling Bazar as well as all the well-known, flamboyant Lacroix accessories - look out for the signature hearts and baroque crosses (prices range from £65 - £240), for perky handbags (£200 - £500).

Those who have always wondered what *haute couture* was all about will be able to see most of the collection twice a year. A fitter from the Paris workshops will come over with the collection and orders will be taken.

Prices - as with yachts,

if you need to ask the price you may be sure you cannot afford it - are anything from £3,000 upwards, depending on beading, embroidery, complexity and all the other intricacies that add noughts on to.

As if that were not enough, there is yet another draw to bring customers into the shop - wedding dressings will be on sale at between £2,400 and £27,000. Customers will choose from 15 different styles which will change annually and no more than 10 of each style will be sold in any country.

Each dress will be made to order and will take 2½ months to complete with the making up done in Paris and the last adjustments done in London.

The younger Bazar made £14m profit in its first year alone.

The new shop will be selling Bazar as well as all the well-known, flamboyant Lacroix accessories - look out for the signature hearts and baroque crosses (prices range from £65 - £240), for perky handbags (£200 - £500).

Those who have always wondered what *haute couture* was all about will be able to see most of the collection twice a year. A fitter from the Paris workshops will come over with the collection and orders will be taken.

Prices - as with yachts,

if you need to ask the price you may be sure you cannot afford it - are anything from £3,000 upwards, depending on beading, embroidery, complexity and all the other intricacies that add noughts on to.

As if that were not enough, there is yet another draw to bring customers into the shop - wedding dressings will be on sale at between £2,400 and £27,000. Customers will choose from 15 different styles which will change annually and no more than 10 of each style will be sold in any country.

Each dress will be made to order and will take 2½ months to complete with the making up done in Paris and the last adjustments done in London.

The younger Bazar made £14m profit in its first year alone.

The new shop will be selling Bazar as well as all the well-known, flamboyant Lacroix accessories - look out for the signature hearts and baroque crosses (prices range from £65 - £240), for perky handbags (£200 - £500).

Those who have always wondered what *haute couture* was all about will be able to see most of the collection twice a year. A fitter from the Paris workshops will come over with the collection and orders will be taken.

Prices - as with yachts,



The three women in the lime green back room of 42 Elizabeth Street. From left: Lulu Guinness, Selina Blow, wearing a huge jewelled cross given to her by her mother, and Harriet Anstruther.

Quality street trio

Selina Blow is aged 27, Harriet Anstruther, 28 and Lulu Guinness 34. Young they may be, but between them they have enough financial clout (no mummies and daddies funding) to open a shop in London's Elizabeth Street. The three have come together because they share a commitment to hand-made, one-off, special items of "the sort of quality that London used to be all about".

A visit to the small shop in Elizabeth Street will be completely different from a trip to a high street chain store.

To begin with, the shop looks much more like the setting for a slightly eccentric salon than a utilitarian purveyor of practical goods.

The first room is in ink blue (painted by the women themselves) with a gold chandelier and sconces displaying Lulu Guinness's handbags and Harriet Anstruther's scarves as if they were old-fashioned hunting trophies. Curvy tailor's dummies, wrapped in Selina Blow's jackets, hang ghost-like from the ceiling.

Beyond is another airier and spacier room in brilliant lime

special fabrics, some small runs, some antique, to make my jackets."

Jackets have been their trademark - they are intricately made, some featuring antique turner hooks buttoning all the way up to the top of the high collar, some Nehru-collared, some great curving models, some Maharaja-shaped.

All are beautifully lined and interfaced with fine frogging work and buttonholes. What she makes are "timeless pieces, not high fashion".

For the shop opening there will be a new range with small bags for summer - lots of shiny satin-covered structured bags, some in brocade, some

beaded.

Harriet Anstruther is an interior, fashion and textile designer but is probably best known for her scarves. They are to be found in more than 250 shops around the world but the collection in Elizabeth Street will be different - in silk, organza, satin, there will be stoles and evening wraps, tasseled wraps, plain and printed shot chiffon and wonderful silver lace at prices ranging from £46 to about £200.

Selina Blow produces the most substantial pieces. She says: "My great interest is textiles and here I can use very

special fabrics, some small runs, some antique, to make my jackets."

Jackets have been their trademark - they are intricately made, some featuring antique turner hooks buttoning all the way up to the top of the high collar, some Nehru-collared, some great curving models, some Maharaja-shaped.

All are beautifully lined and interfaced with fine frogging work and buttonholes. What she makes are "timeless pieces, not high fashion".

For the shop opening there will be a new range with small bags for summer - lots of shiny satin-covered structured bags, some in brocade, some

beaded.

Harriet Anstruther is an interior, fashion and textile designer but is probably best known for her scarves. They are to be found in more than 250 shops around the world but the collection in Elizabeth Street will be different - in silk, organza, satin, there will be stoles and evening wraps, tasseled wraps, plain and printed shot chiffon and wonderful silver lace at prices ranging from £46 to about £200.

Selina Blow produces the most substantial pieces. She says: "My great interest is textiles and here I can use very

special fabrics, some small runs, some antique, to make my jackets."

Jackets have been their trademark - they are intricately made, some featuring antique turner hooks buttoning all the way up to the top of the high collar, some Nehru-collared, some great curving models, some Maharaja-shaped.

All are beautifully lined and

interfaced with fine frogging work and buttonholes. What she makes are "timeless pieces, not high fashion".

For the shop opening there will be a new range with small bags for summer - lots of shiny satin-covered structured bags, some in brocade, some

beaded.

Harriet Anstruther is an

interior, fashion and textile

designer but is probably best

known for her scarves. They

are to be found in more than

250 shops around the world but

the collection in Elizabeth

Street will be different - in

silk, organza, satin, there will

be stoles and evening wraps,

tasseled wraps, plain and

printed shot chiffon and won-

derful silver lace at prices

ranging from £46 to about £200.

Selina Blow produces the

most substantial pieces. She

says: "My great interest is tex-

iles and here I can use very

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

01494 890555 to ORDER FOR CATALOGUES

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

01494 890555 to ORDER FOR CATALOGUES

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English Eccentrics
Tomasz Starewski
Beverly Saxon

featuring:
Paul Costelloe
Joseph
Mulberry
Paddy Campbell
Caroline Charles
Jasper Conran
Samantha Constantine
John Egan
Betty Jackson
Rosalind Kidd
Cecilia von Knebel
Carminda Walker
Hans de Lint
English

SPORT

The Boat Race

Dark outlook for heavy blues

Phillip Halliday says rapier should beat broadsword in the battle of the young blades this afternoon

Only a fool would bet on Oxford winning the 141st university boat race against Cambridge, but the first day of April is All Fool's day.

Cambridge are strong favourites to win for the third consecutive year, and on paper, the Light Blues are in a different class.

The crew includes three students who have rowed in the Olympic Games; Richard Phelps, New Zealander Scott Brownlee and Marco Branic from Croatia. Matthew Parish and Roger Taylor are members of the Great Britain squad while German Dirk Bangert rowed the race in 1982 and 1983. Simon Newton and Miles Barnett have stepped up from the reserve crew and the cox Russell Slattery trained with the squad last year.

If there are doubts, they hover over the inexperienced Miles Barnett in the crucial stroke seat. He learnt to row at college in Cambridge and is untried in the heat of the blue boat race. This Cambridge

crew is not as good as last year's but that was one of the best ever. When they moved to London from Nottingham last weekend, the crew lacked the rhythm and smoothness that has become the Cambridge hallmark. That will be worked on in the final days with some intense finishing coaching.

As last year, Harry Mahon, New Zealand coach, has been doing the fine tuning. He compares rowers with dancers and has worked on persuading the crew to come forward with finesse to minimise the check.

The check is the force which the rowers apply in the opposite direction as they come forward to take a stroke.

Head coach is Robin Williams, a lightweight rower who competed in six world championships. He has the eye for detail of the lightweight who found something other than muscle to make the boat go fast: "Small details are important, they are the easiest way to move boats. Pulling harder is not always the answer."

Nothing sums up the difference between the two camps

better than the different philosophies on technique. There has always been a machismo pride in size and the heaviest crew is said to have an advantage. On Monday, Oxford weighed in an average 24.6kg per man heavier. In recent years Oxford have seemed happier to pull as hard as they could sometimes at the expense of technique. However, if the water and weather are rough today, the broadsword may be more effective than the rapier.

Oxford's most potent weapon will not be in the blue boat. Dan Topolski, who has returned as head coach after seven years away, will be commenting for television from a launch in the wake of the race. Topolski masterminded Oxford's 11 wins between 1976 and 1987. That last victory came after a mutiny by rowers with big reputations.

Topolski has teamed up with Penny Chuter, national coach for over 20 years. Chuter is a perfectionist who gauges her athletes daily using the latest technology. The standards she strives for are high - she once



Making waves: the Cambridge University crew practising on the Thames for today's boat race

John H. Shaw

said the Henley regatta was overrated because the crews were pretty average.

Chuter set up a team of coaches that did not pull in different directions - she calls this a corporate approach. In the autumn she made the squad more competitive by putting them in small boats. This takes a while to bear fruit: "It was basic bread and butter stuff, it hampers perceived

progress but we now have a very strong, mentally tough boat."

The last week's training is about toughness and Oxford are past masters at psyching out the opposition. A previous Oxford University Boat Club president said after victory: "When I saw them coming their hair after training I knew we had the girls beaten."

Topolski, the motivator,

wants to beat Cambridge at all costs and will expect his charges to go to their physical limit to get to the line first. If Oxford have a chance it comes from the heart not the head.

Oxford's form is good but not sparkling. They lost to Imperial College at the Reading Head last month but Imperial came third in the Head of the River race two weeks ago and were only four seconds behind

the Great Britain squad. The men's head over the reverse boat race course draws some of the best eight in Europe and is a good indicator of basic boat speed. In races against London Rowing Club (sixth in the Men's Head) honours were just about even, but Oxford lost two races to London University (eighth in the Head). Oxford are fast off the start and will want the Middlesex station and the first bend in their favour.

Cambridge have consistently beaten Notts County (fifth in the Head) in Nottingham and are unfazed by talk of Oxford being quick out of the blocks. "If basic technique is there then boat speed follows - we can match their aggression over the first two minutes and then settle over the next five to six," said Williams.

March Madness is infectious. I first caught it badly in 1982, waking up one morning in South Carolina and absolutely knowing that 12 hours later I had to be in Washington, DC. Why? Because Georgetown University, six blocks from home, was playing in the national collegiate basketball final and there was no way I was going to watch it on television other than in the neighbourhood.

So I drove 500 miles in eight hours and defied a wife intent on watching the last instalment of Brideshead Revisited. My team lost by one point to North Carolina and a freshman called Michael Jordan, but two years later, when Patrick Ewing again got Georgetown into the final, I flew back from Tokyo to watch the mighty victory over Houston.

The college tournament first appeared on national television in 1969 and some years later acquired its marketing monthly soubriquet, though the final is often in early April. March is, anyway, a bit of a void in the sporting calendar, which Madness has filled with a vengeance.

Basketball is the US's ubiquitous team sport. With deep roots in places as diverse as the inner city and the midwestern corn belt, it is hard to find a public park in Harlem or a suburban avenue in Des Moines without its clusters of hoops. Vice President Al Gore, still tall but no spring chicken, snapped his tendon last year, not on healthcare reform but in a pick-up game. No such easy opportunities exist for those who want to continue to play football or baseball.

The tournament itself, featuring the best 64 college sides, is a pure knockout producing an unquestioned champion - unlike college football, where the best may never play each other and the number one is selected by "experts".

College loyalty - and attendance - is high in the US and television means that teams can be closely followed, often transcontinentally. Some old rivalries - Duke v North Carolina, for example - are appreciated by those who did not graduate from either of the two universities located only eight miles apart. Leading regional conferences, such as the Big East, the Atlantic Coast and the Pac-Ten, are ferociously competitive, and so are most of the unsung ones. Comparable team rivalries are



On the way: Bryant 'Big Country' Reeves, 7ft centre for Oklahoma State University, tells coach Eddie Sutton they are going to the Final Four

Basketball / Jurek Martin

The madness grips

now hard to find in the NBA. Which is not to say that college ball is not professional. Too many universities scour high schools nationwide and around the world for tall talent and then put them through what amounts to an apprenticeship for the professional game, which most will never make. The 40 per cent graduation rate for basketball students is an educational disgrace. (Georgetown is an exception, with four out of five acquiring degrees, but it is a Jesuit school and few coaches insist on classroom time as much as John Thompson, Georgetown's coach.)

Nor indeed are college rules now much different from professional basketball, with a shot clock and a three point goal designed to produce higher scores. Short and slow teams, with good zone defences and a decent shooter, can pull upsets, as obscure Weber State from Utah and Manhattan College did in this year's first round, but the third place of (now Senator) Bill Bradley's

way and keep their job.

El Deano has mellowed to suit the times, but he did turn out a series of players less gifted than Jordan (Walter Davis, Phil Ford, James Worthy, Brad Daugherty) instantly ready for the NBA. The temperate Bobby Knight at Indiana (with Isaiah Thomas especially) and Thompson of Georgetown, three of whose centres are professional stars, have followed suit. Yet there are fine players who may never rise above the college level but who live for, and grace, March Madness.

College basketball also remains essentially a team game. The sum of the parts, which may be unequal, must exceed that of any individual. The old joke about Jordan - that the last team to hold him to under 20 points a game was his own North Carolina - stems from the fact that Dean Smith, the coach, never gave his first year players much court time. Few professional coaches can now dare treat a prized rookie that

is tempting for the best, especially if a rumoured NBA rookie salary cap means an end to \$50m contracts. This year the three top prospects are only in their second years at university. Jerry Stackhouse and Rasheed Wallace play, unsurprisingly, for North Carolina. The fate of the third, Joe Smith of Maryland, is of such interest that the Washington sports media frequently talks and writes about nothing else.

All three are obviously exceptional. But if they listen to Grant Hill, who got his degree as well as two championships from Duke and was an all-star in his first pro season, they might think twice. He finds life in the NBA lonely and self-centred after college. Lesser talents could contemplate Yinka Dare - a raw, seven foot Nigerian who left George Washington University after two years and was so unprepared that he managed just three minutes playing time before injury abbreviated his maiden season.

The Final Four, in Seattle, has no clear favourite. Today Arkansas, defending champions and Bill Clinton's side, go against North Carolina, and UCLA plays Oklahoma State, with the title game on Monday night. When in doubt, always take a Dean Smith team. It beat (sniff) Georgetown in the Sweet Sixteen in a hot Kentucky in the quarterfinals; anyway, the coach is a liberal Democrat, a political class long overdue for a win.

Yet upon landing, the ball, in Watson's words, "just tools off, there's no other way of describing it". The resultant chip did not stop either. He found himself in the water. The heady prospect of a three or four had become a card-wrecking eight. Watson had not hit a bad shot out of the back.

The experience of Tom Watson in the first round was typical. He was four under par playing this hole and his seven iron was hit with all the confidence afforded by the liberal sprinkling of exemplary shots that preceded it. The thought of a birdie or even an eagle must have crossed his mind. The Final Four, in Seattle, has no clear favourite. Today Arkansas, defending champions and Bill Clinton's side, go against North Carolina, and UCLA plays Oklahoma State, with the title game on Monday night. When in doubt, always take a Dean Smith team. It beat (sniff) Georgetown in the Sweet Sixteen in a hot Kentucky in the quarterfinals; anyway, the coach is a liberal Democrat, a political class long overdue for a win.

The experience of Tom Watson in the first round was typical. He was four under par playing this hole and his seven iron was hit with all the confidence afforded by the liberal sprinkling of exemplary shots that preceded it. The thought of a birdie or even an eagle must have crossed his mind.

The Final Four, in Seattle, has no clear favourite. Today Arkansas, defending champions and Bill Clinton's side, go against North Carolina, and UCLA plays Oklahoma State, with the title game on Monday night. When in doubt, always take a Dean Smith team. It beat (sniff) Georgetown in the Sweet Sixteen in a hot Kentucky in the quarterfinals; anyway, the coach is a liberal Democrat, a political class long overdue for a win.

I do not think there is much evidence that this is the case. If Lyle was playing even into the merest of breezes at the 15th, which is usually the case, he would need a far different

club than a pitching wedge.

It is only two years ago that Chip Beck, three shots adrift of Langer in the final round, was so intimidated by the prospect of a 220 yard four wood second shot - exactly that which confronted Sarazen - that he opted to lay up short.

In any event, it cannot be right to present a course that amounts to an unfair test. The result was a tournament last year that was shorn of much of its usual excitement.

What we certainly do not want to see again is Nick Price, always the fairest of men, and who is looking to win his third major championship in a row, sitting in the locker room with a heavy heart and saying: "I find it hard to believe that Bobby Jones wanted some of the holes to play this way."

The green at the 15th is a narrow silver: there is no prospect of running the ball on to it because of the water in front. If Sandy Lyle cannot stop the ball with a pitching wedge, which is what happened in the third round, then drama soon turns to farce.

With Lyle's experience we reach the crux of the matter. Sarazen used a four wood for his second shot in 1935. Now, 59 years later someone is going into the green with a pitching wedge. The fears of the organisers are obvious: they fret that the course has not stood up to the test of time; that the enormous technological advances that the sport's governing bodies have sadly allowed have rendered the course impotent in today's power game.

I do not think there is much

evidence that this is the case. If Lyle was playing even into the merest of breezes at the 15th, which is usually the case, he would need a far different

club than a pitching wedge.

It is only two years ago that Chip Beck, three shots adrift of Langer in the final round, was so intimidated by the prospect of a 220 yard four wood second shot - exactly that which confronted Sarazen - that he opted to lay up short.

In any event, it cannot be right to present a course that amounts to an unfair test. The result was a tournament last year that was shorn of much of its usual excitement.

What we certainly do not want to see again is Nick Price, always the fairest of men, and who is looking to win his third major championship in a row, sitting in the locker room with a heavy heart and saying: "I find it hard to believe that Bobby Jones wanted some of the holes to play this way."

The green at the 15th is a narrow silver: there is no prospect of running the ball on to it because of the water in front. If Sandy Lyle cannot stop the ball with a pitching wedge, which is what happened in the third round, then drama soon turns to farce.

With Lyle's experience we reach the crux of the matter. Sarazen used a four wood for his second shot in 1935. Now, 59 years later someone is going into the green with a pitching wedge. The fears of the organisers are obvious: they fret that the course has not stood up to the test of time; that the enormous technological advances that the sport's governing bodies have sadly allowed have rendered the course impotent in today's power game.

I do not think there is much

evidence that this is the case.

If Lyle was playing even into the merest of breezes at the 15th, which is usually the case, he would need a far different

club than a pitching wedge.

It also has pain. The marathon has hurt, during the four or five months of training beforehand, acutely for the hours it takes to complete it, and only slightly less acutely for days afterwards as muscles and joints take revenge.

Finally, the marathon has colour. Rio has its Mardi Gras London has its marathon, and the costumes can be almost as spectacular. London's competitors have included pantomime horses, waiters carrying trays of drinks, Roman centurions, policemen, emus and prison warders handcuffed together. Spectators organise street parties, with pearly kings and queens playing jazz in Rotherhithe, and steel bands in Tower Hamlets.

It also has pain. The mara-

thon hurts, during the four or

five months of training before-

hand, acutely for the hours it

takes to complete it, and only

slightly less acutely for days

afterwards as muscles and

joints take revenge.

This week I dug out my

rather dog-eared finisher's slip

from my last London in 1986: 3

hours 15 minutes 40 seconds,

placed 4,263. Nine years on,

there is little chance that I

will match that performance

when I run tomorrow. But then, that is not the point.

Athletics / Neil Buckley

Long-run appeal of London's marathon

London seems undiminished, and it vies with New York to be the world's biggest marathon. This year more than 70,000 people applied to run, 35,000 were accepted, and allowing for illness, injury and failure of willpower, about 26,000 will cross the start line tomorrow.

The marathon has always seemed an unlikely mass-appeal event. For participants, it poses a severe physical test. For spectators on the streets beyond the sheer spectacle of 26,000 bobbing heads, the length of the marathon makes it difficult to follow the "real" race at the front of the field.

So where is the attraction? For one thing, the marathon has history. While Baron Philippe de Coubertin founded the modern Olympiad in 1896, the marathon for the 1908 Olympics in London was also due to be 25 miles from Eton High Street to White City Stadium in west London. First, however, 385 yards were added so the race could finish in front of the royal box, and later another mile when the Princess of Wales requested the start to be moved to Windsor Castle so her children could have a good view.

The real history of the marathon, however, is shorter, and the reason for its odd length of 26 miles 385 yards a royal whim. The race was devised as

spirit when describing the New York marathon in 1979 - the spectacle which inspired him to found the London: "Last Sunday," he wrote, "in one of the most violent, trouble-stricken cities in the world, 12,000 men, women and children from 40 different countries of the world, assisted by 2,500 black, white and yellow people. Protestants, Jews, Muslims, Buddhists and Confucians, laughed, cheered and suffered during the greatest folk festival the world has ever seen."

The 500,000 spectators expected to line the streets of London, and the 8m more who

will watch on television, feel a sense of kinship with the participants - many indeed will know people taking part - which they do not have with events such as Wimbledon, the Derby or the FA cup.

Thirdly, the marathon has colour. Rio has its Mardi Gras London has its marathon, and the costumes can be almost as spectacular. London's competitors have included pantomime horses, waiters carrying trays of drinks, Roman centurions, policemen, emus and prison warders handcuffed together. Spectators organise street parties, with pearly kings and queens playing jazz in Rotherhithe,

and steel bands in Tower Hamlets. It also has pain. The marathon has hurt, during the four or five months of training beforehand, acutely for the hours it takes to complete it, and only slightly less acutely for days afterwards as muscles and joints take revenge.

Finally, the marathon has

colour. Rio has its Mardi Gras

FOOD AND DRINK

Meals to fool your April supper guests

Philippa Davenport picks some whimsical dishes for cooks with a sense of humour

Cooks have always enjoyed a good laugh. The BBC *Panorama* programme's April fool joke about the spaghetti harvest is still remembered with affection, one of a long line of elaborate culinary jests.

Nowadays we tend to content ourselves with minor japes and deceptions. Egg shells blown of their egg contents and refilled with chocolate bring a smile to our lips. Last Christmas there was a rush to buy *trompe l'oeil foie gras* in white china terrines, actually made from almond paste and sweetened chestnut purée studded with chocolate to represent truffles. Also fashionable was the excavation of the underside of a *pâté* filling the hollow with frozen *zabaglione* - a sophisticated update on the Baked Alaska of childhood, with its hidden surprise of vanilla ice-cream under a swirling cloak of hot meringue.

Food has long been a subject for regional jokes. Best known is Welsh Rabbit, not rabbit at all but toasted cheese, a totally implausible deception said to have originated as a piece of self-mockery by the Welsh several hundred years ago. Then there is Scotch Woodcock, the savoury composed of egg yolks, salt anchovies and cream piled on to toast - frankly unlikely to be mistaken for little game birds by anyone who has ever seen or tasted woodcock.

Less well known and more theatrical fun is Northumbrian Duck, a dish in which lamb or mutton masquerades as a bird. To make it, the blade of a shoulder is bowed out and

stuffed. The skin home is cut extra long, bent at the knuckle and split at the end to create the impression of a beak. Feather markings are incised all over the fat. The joint is rolled and presented at table sitting up like a decoy duck in a line of vegetables.

Fractionally more convincing than Welsh Rabbit or Scotch Woodcock, visually at least, it is a great deal more trouble to prepare, of course. But the labour involved is as nothing compared to that

Robert May's 1660 cookbook describes all manner of conceits and subtleties

required by many of the subtleties and conceits that our forefathers rejoiced in so much.

I sometimes get the impression that a medieval feast was not reckoned to be a feast at all unless cockatrice was served. And I was astounded to discover that this heraldic monster of fable, half bird, half beast, was recommended as a cold party piece for children's parties in a book published as late as 1654 (Dorothy Hartley's *Food in England*). Mark you, Hartley's version is made modestly with a fat hutch rabbit and a boating towl. Earlier recipes call for a large capon and a small sucking pig.

Whatever creatures are used, the two should be carefully trimmed, stuffed, interlocked

and the stink of the powder by giving

the ladies egg shells half filled with rosewater and let them throw them at each other".

My suggestions for edible April fool jokes for EU minded pranksters in late 20th century Britain are pretty tame stuff compared to those earlier japes. They are also less demanding of the cook.

POISSON D'AVRIL FOR VEGETARIANS

My first *poisson d'Avril* is fish shaped but contains no fish. For each person, roll out some puff pastry and cut out with a template two large, bold fish shapes.

Lay on half of them a good dollop of cold, lightly cooked vegetables tossed in basil or

parsley and coriander pesto.

Reduce temperature to 350°F-375°F (180°C-190°C) gas

mark 4 or 5 and continue baking until golden, crisp and hot right through. Serve with a delicate Mornay sauce or with a tomato chilli salsa.

mark 4 or 5 and continue baking until golden, crisp and hot right through. Serve with a delicate Mornay sauce or with a tomato chilli salsa.

POISSON D'AVRIL FOR OMNIVORES

An unexpected combination: ritz oysters teamed with nursery polyplus eastern flavours for good measure.

This quantity will serve five to six. Although I have only made it as a polyplus, I dare say the suetcrust could perfectly well be fashioned into a fish shape by the nimble-

poised.

Remove the oysters, cut them in half and mix them with plenty of chopped coriander leaves plus the drained contents of a 105g tin of smoked oysters.

Strain the juices from the

heaped tablespoons of sesame seeds and 1½ teaspoons of coriander seed (both toasted then crushed), a seasoning of sea salt and chilli powder, plus 5fl oz or so of oyster liquid (see below) to bind.

Roll out the pastry. Sprinkle the filling over it, leaving a clear rim. Dampen the edges, roll up and seal. Wrap securely in a baggy parcel of well-oiled double-thick foil. Bake on a baking tray at 400°F (200°C) gas mark 6 for just under an hour. Then pull back the foil and bake for 10-15 minutes more to crisp the crust.

Serve with a bowl of soy or teriyaki sauce for seasoning. If a green vegetable is wanted on the side I suggest finely shredded and steamed cabbage or broccoli.



The last time John Ratcliffe, Oddbins' deputy managing director, went to Chile was 1989. His memories of that visit were coloured by the layer of silt on a hotel bedroom floor and the fact that they could squeeze their luggage into the hire car only by extracting its back seat.

Since that initial visit, Steve Daniels, Oddbins' Chilean wine specialist, has returned year after year to dispense praise, criticism and orders, following the fortunes of Chile's wine trade more assiduously and consistently than any other British retailer.

Thanks to Britain's uniquely proactive way of buying wine, this must make him a world expert on the fast-changing Chilean wine landscape, although representatives from Thresher and Tesco are catching up fast.

Ratcliffe, meanwhile, spent a high proportion of the intervening years being courted by Australia's avid wine exporters. But now that demand has so definitively overtaken Australia's supply of premium grapes, and the 1995 vintage is small, he has become hunted rather than the hunter.

Two weeks ago he joined Daniels for a week in Santiago. He could not believe the speed of the Chilean economic miracle. This time they stayed in the 18-floor, atriumed Santiago Hyatt with stretch limos out-

Reaching out of pest-free isolation

Jancis Robinson wonders whether Chile's wine producers can seize a great opportunity

side and glass elevators disappearing into the smoggy sky above.

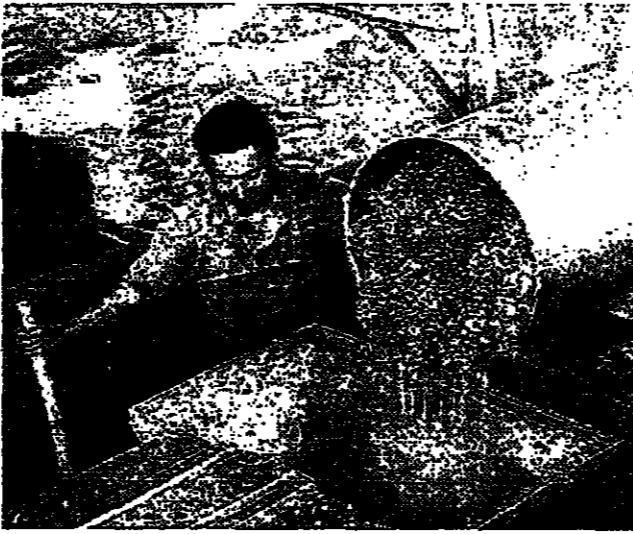
The only real problems of daily life were deciding whether to punctuate the pisco sours with a smart Italian, Thai or Peruvian restaurant.

On the first night it was the Hyatt's own Italian, with some Chilean wine folk. Rejecting the first of four bottles of wine that were to be found wanting that evening - Chilean consumers are yet to appreciate youthful fruitiness in a wine - Ratcliffe said prophetically: "While the Australians are short of wine, the Chileans and South Africans have a year and a half to steal a march on them [before their new plantings come into production]."

But one of the locals muttered doubtfully: "I wonder whether the Chileans realize..."

They almost certainly do not. One of remarkably few disadvantages of Chile as a wine producer is its isolation. New Zealand and Australia may be a long way from their main markets but at least they share their culture and language.

In Chile, in spite of its ideal combination of climate, plentiful irrigation water and the



De-stemming Montes grapes at Curico, 200 miles from Santiago

absence of several important (and costly) pests and diseases, and despite having almost twice as many vineyards as Australia, wine hardly exists.

The local population drinks beer (or pisco, Chile's aromatic clear brandy). So unimportant is wine relative to Chile's minerals and fruit, that dangerously few of the executives in charge of filling that Australian gap have any real

long-term knowledge of their product or international market. They were probably selling light bulbs last month.

Only 35 wineries export, and their wines tend to be made by a small, constantly revolving nucleus of winemaking and vine-growing experts. Between them there is an almost California level of cordiality and co-operation but, at corporate level, things are managed very

much more competitively, and often less systematically.

Concha y Toro and Santa Rita are the two giants of the industry, each of them, typically, still run by one of the families which dominate Chile's economy. In their respective corporations, however, these wine-producing giants are dwarfs, and today, as a century ago in Chilean wine's heyday, winemaking remains a sort of rich gentleman farmer's activity.

The entirely laudable current fashion among wineries is to plant vineyards so that they can better control yields and growing methods. In 1984 Santa Rita (which enjoys a convenient monopoly on wine bottle production) had barely 45 hectares (115 acres) of vineyard, enough to supply about one per cent of its needs.

Today its stated aim is to become self-sufficient - which has certainly helped to send grape prices plummeting from their 1993 peak when there was a severe shortage of grapes answering to the magically universal names of Chardonnay and Sauvignon Blanc.

Concha y Toro, already the

world's most important owner of Cabernet Sauvignon vines,

is also developing vineyards which are crazy, not least in cooler areas such as Casablanca in the north and Mulchén in the far south.

Both Concha y Toro and Santa Rita are spawning wineries and labels which march in fierce competition with their main brands: notably Cono Sur and Carmen respectively.

Divide, rule and profit from

winemaker ambition seems as good a recipe as any.

Faced with falling demand, most of the grape growers, generally large farming concerns rather than peasants eking a living, are simply switching to other crops - although some are trying their hand at building both vineyards and export markets.

Meanwhile investment (often foreign) is flooding in to wine as much as any other sector of Chile's economy. From California, Mondavi and Kendall-Jackson have been sniffing around almost indefinitely long.

Grand Marnier is flying in Michel Rolland of Pomerol to develop a line of Casa Lapostolle wines (to reach the UK later this year).

Bruno Prats, of St Estéphe and Paul Pontallier, of Margaux, co-own the Aguilanita

winery just south of Santiago.

Torres of Spain and the Lafite Rothschilds invested some years ago in Miguel Torres and Los Vascos respectively. Yves Pouzet has deserted his native Loire valley to make Viña Porta one of Chile's few "boutique" wineries, and certainly one of its best. Capel, one of the biggest pisco producers, is opening up new vineyards to the north near Ovalle.

But while the large companies, such as brewery-owned San Pedro and revitalised Santa Carolina can afford to

ride fluctuations in the wine market, the smaller ones may find life very different when fighting Australia on a more level playing field in 1997. And this big-versus-small divide has undoubtedly hampered Chilean progress in international markets.

So far Chile has found it as difficult to present a united generic wine front as it has to develop a strong national image. Spain stretched into a different shape and ever-conscious of a much larger neighbour is a facile but serviceable possibility.

So much for the business. As for the wines themselves, there are some truly great bargains to be had in Chile now.

■ Next week: Jancis Robinson on the wines of Chile.

How Cabernets from Chile got their word-of-mouth reputation

This Cabernet Sauvignon comes from Chile's finest wine-growing region in the Maipo Valley. Aged in oak, the wine is deliciously soft and blackcurranty.

It is just one of the wines that explain why Sainsbury's became Supermarket Wine Merchant of the Year £3.79, available in most stores.



Appetisers

Food treats for Easter

plums from Portugal prepared using a 16th century recipe; and a tin of traditional Breton butter biscuits with chocolate chips by Hervé le Dréan. These three items would normally cost more than £30 in total.

The products can be obtained by mail order from Morel Bros by ringing 0171-384 8345 or faxing 0171-384 8123. Payment can be made by cheque or credit card and the company aims to

deliver the products in time for Easter. Its current catalogue - beautifully illustrated by artist Freire Wright - includes everyday and unusual items for lovers of fine food: teas, coffee, mushrooms, truffles, stocks, casseroles and confits, mustards, oils and seasonings.

Jill James

■ The Ritz in Piccadilly, London, currently buzzing under the direction of new general manager Brian Williams, is to serve Sunday brunch in its

Palm Court lounge. For £16, inclusive, after your fresh fruit juice you can choose from scrambled eggs with smoked salmon and chives, escalope of chicken with lentils and red wine, through to risotto of smoked haddock flavoured with curry and poached egg. Round off the meal with crème brûlée or rich chocolate nougat - all to the accompaniment of classical music. Reservations: 0171-493 8181. JJ.

■ Spanish cookery writer María-José Sevilla and chef Carla Tomasi are both offering Mediterranean cookery weeks in the foothills of the Ronda

Sierra in Andalucia. They include cookery classes; visits to local markets; picnics; visits to a sausage and Serrano ham producer and a bodega for wine and sherry tasting; and a Bengal Clipper by the River

The highly acclaimed Indian restaurant at Butler's Wharf, Tower Bridge, presents superb Indian cuisine as no other restaurant can. With room for 170 in comfort, a new style has been created, enhanced by magnificent modern paintings of traditional Indian art and the sound of live grand piano every evening. 0171-357 9001, end of Shad Thames, Curlew Street, London SE1. Nicholas Lander

Mall order food specialists Morel Bros, Cobbett & Son, have put together an eclectic range of items for FT readers which would make a good Easter treat or gift. For £16.50 (inclusive of UK delivery) the first 300 FT readers in the UK to get in touch with the company - by fax or phone - can try a 250g box of dark chocolate croissants (61 per cent cocoa) from Le Chocolaterie WEISS of St Etienne; a box of Elvas St Etienne; a box of Elvas

DAVID J WATT
FINE WINES LIMITED
1994 VINTAGE RED BORDEAUX
AUGUSTA
CH. Haut Soutard £30.80
CH. Pichon Longueville £30.50
CH. Clos Da Closier Pomerol £39.50
CH. La Mission Haut Brion £26.99
CH. Mouton Rothschild £39.88
CH. Haut Brion £39.88
CH. Palmer £17.20
Prices are per case of 12 bottles
Ex Cellars Bordeaux.
Full Tasting Notes Available.
1-3 Mill Lane Mews,
Ashley de la Zouch,
Leicestershire, LE9 1HP
Tel: 01530 413 953
Fax: 01530 413 960

FARR VINTNERS

No-one sells fine wine in the UK.

We make it easy and profitable to sell your wine.

Contact Jonathan Stephen

Tel: 0171 828 1960

Fax: 0171 828 3500

19, Grosvenor St, London SW1 V 4RN

CLARETS AND VINTAGE PORTS

WANTED

We will pay auction hammer prices.

Please telephone:

Patrick Wilkinson 0171-267 1945

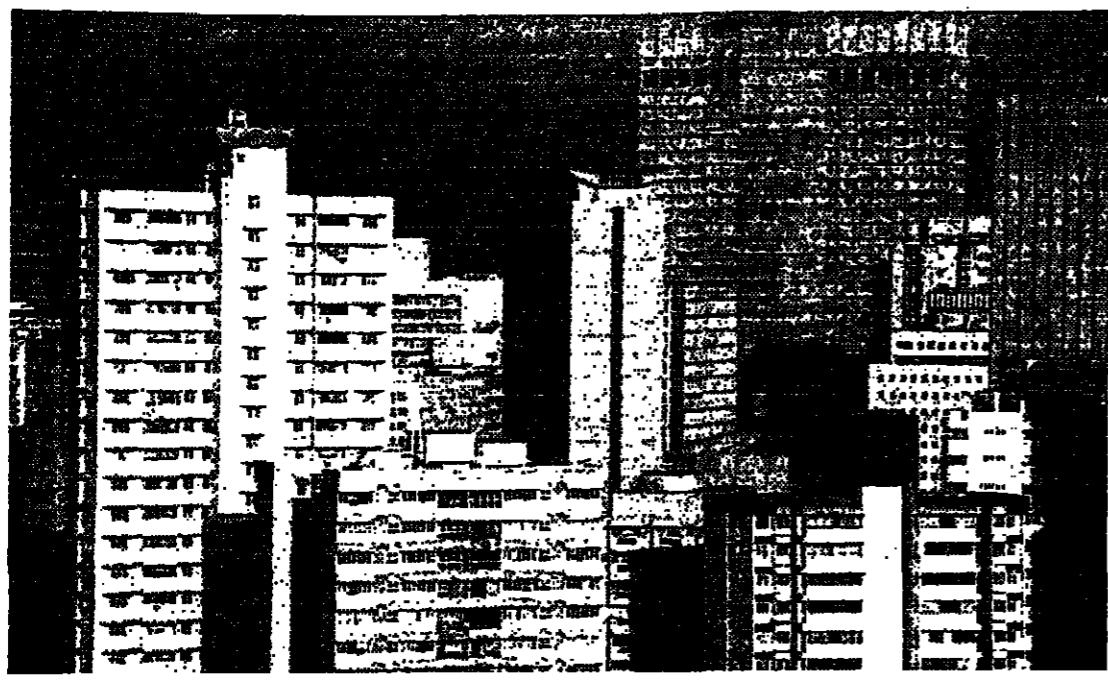
or Fax: 0171 264 2785

WILKINSON VINTNERS LIMITED

Fine Wine Merchant

Concierge Rd London NW8 2LN

PROPERTY



The skyline of Nariman Point, the Bombay business district

Tony Andrews



Bombay has seen spectacular price rises. A basic two-bedroom flat in an unattractive block can cost \$1.5m

Tony Andrews

Investing in Bombay – the bachelor's city

To the company executive offered a foreign posting, being sent to India may seem like drawing the short straw. Telephone and electricity services can be erratic, the pollution stifling, bureaucracy a nightmare, the traffic appalling and the tap water unreliable.

Bombay is known as a bachelor's city, because no one wants to take their families there. Worst of all, the price of an apartment – in a building which resembles the worst type of council tower block – is highly expensive.

But it is a plum to the investor. Prices in Bombay, Delhi and Madras have soared over the past year by between 30 and 50 per cent. Bombay especially, crowded on to a peninsula with little room for expansion, has seen spectacular price rises.

A basic two-bedroom flat in an unattractive block can cost \$1.5m – the price of a prestigious three-bedroomed apartment in Knights-

bridge or Manhattan.

This year, for the first time, Indian property developers took a pavilion at the Homebuyer Show in London – traditionally the showcase for developers and estate agents from Spain, Portugal, France and Italy.

It is an early indication that India's booming property market is beginning to attract outside attention. At least one British estate agency has expressed interest.

"Property prices in India have gone up in a straight line," says John Royden, chairman of the ECU Group, a privately owned global fund management and consultancy group, specialising in Indian property.

One reason is the number of non-resident Indians on high earnings in the Gulf, Indonesia, Malaysia or the UK who are investing their money in property back home, in preparation for their return.

Too nervous of sitting tenants to rent out the apartments, they own an estimated 50,000 flats, known as

locked properties. Of the owners who do let, many demand a returnable deposit of half the value of the flat. A rental yield is between 8 and 15 per cent a year, according to Royden.

Mortgages are unusual; most properties are bought from savings, for cash. Multi-nationals moving into India are competing with middle-class and well-paid Indians for available property. There is such a shortage in Bombay that some companies are prepared to spend more than \$400 a night on suites in top hotels for staff accommodation.

Nariman Point, on the Bombay seafront, and Churchgate are the smartest places to work and are near the Stock Exchange. Malabar Hill, Napeansea Road and Marine Drive are the top residential areas.

Blocks near the Oberoi and Taj hotels are also highly desirable.

A two-bedroom flat can cost \$2m (£1.2m). One apartment, near the Oberoi, was recently on the market for \$4m. Secretarial staff on low wages are forced further out to the

north, up to two hours commuting time by train, where a two-bedroom apartment in a tower block is currently on offer for \$20,000.

In Bangalore, the fastest rising area is Richmond Town; in Delhi, the Qutab Enclave; in Madras R A

what I'm supposed to be doing".

"Bombay has lots of poor, it's smelly, very hot and has lots of rats," he says. Expatriate wives moan bitterly because "there's nothing to do except sit and watch CNN every day".

An amenity as simple as a few trees or a patch of grass in front of a block is a quantifiable asset. A breeze off the sea is a big plus point and can add an extra \$100,000 to the value of a flat. "All the things we take for granted (in the UK) are precious in India," says Royden.

New developments, such as those being built by the Kamakshi Group have pools and leisure complexes, saunas and gyms. Bangalore, capital of Karnataka state, is more suited to the renaissance *mensahibis*.

Bandra, where the new Stock Exchange and Diamond Exchange will be based, is up and coming, says John Royden, a former options broker at Kleinwort Benson, with flamboyant taste in braces (navy with scarlet £ signs "to remind me

with rose gardens and croquet lawns, were built to accommodate British families. Bangalore is thronged with racegoers during the season. The cast of David Lean's *India's Passage to India* stayed in the West End Hotel, Race Course Road during filming.

It is popular too with Indians buying a second home. But while a European might choose a second home for the temporal attractions of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

a second home. But while a

European might choose a second

home for the temporal attractions

of golf or sunshine, an Indian takes

refinement more spiritually.

Outside the town, simple ashram

style homes are being built by the

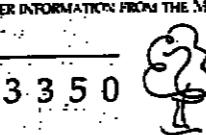
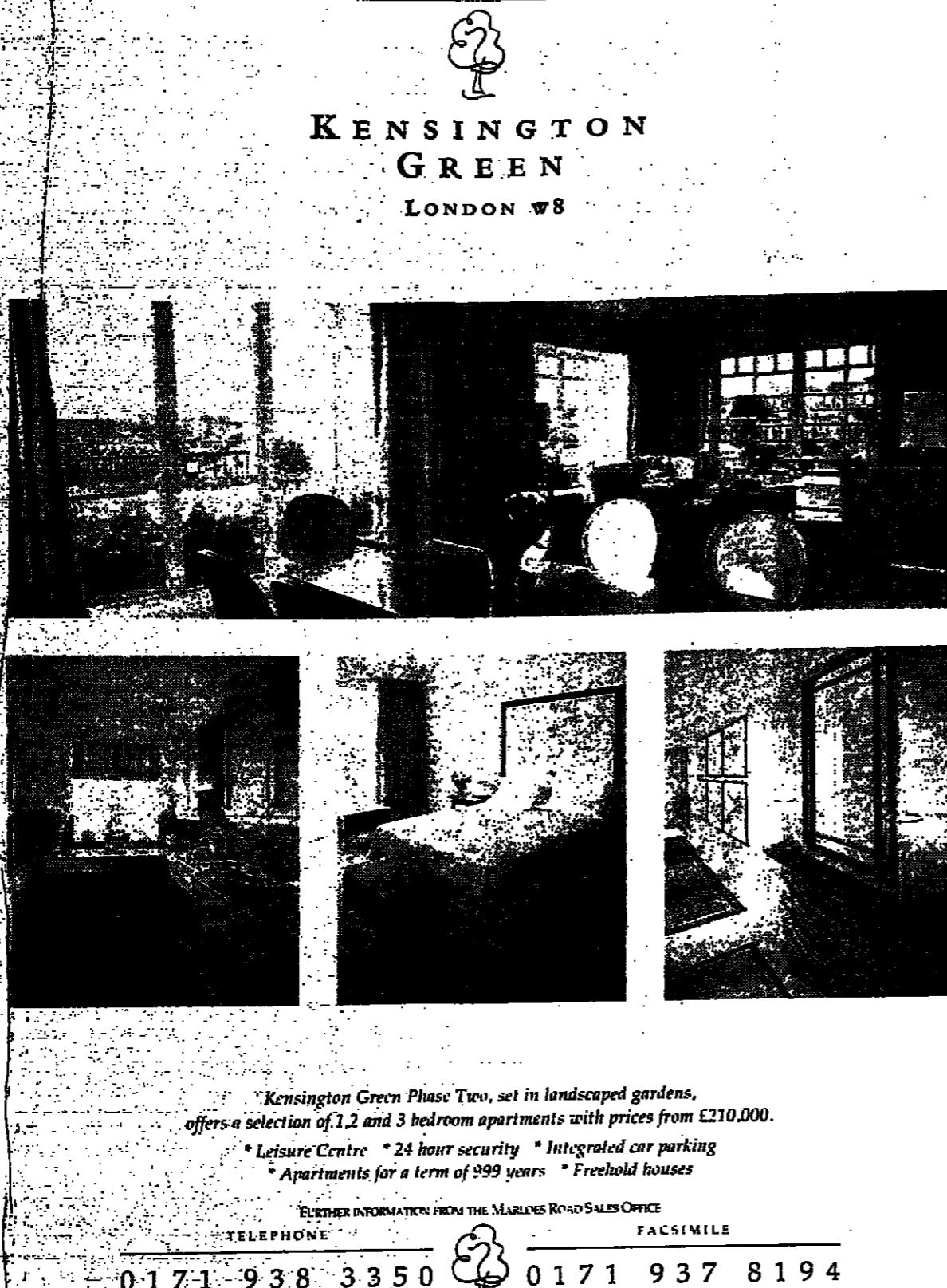
Rahela Group around the guru

Sai Baba in a development called

Sai Gardens.

It is popular too with Indians buying

LONDON PROPERTY



EATON SQUARE, SW1
In the finest position on the prettiest North side of Belgrave's 112-117, 3-storey residential Garden Square.

A Newly Refurbished Apartment of Approximately 2100 sq ft. with high ceilings and private entrance. Impressive reception hall, guest's cloakroom, 2 very large inter-communicating reception rooms, 2 double bedroom suites, luxury fitted kitchen.

LEASEHOLD JOINT SOLE AGENTS £860,000

GEORGE TROLLOPE
0171-824 8111
107 Grosvenor Road
London SW1X 8LP
Fax 0171 491 6171

0171-499 3434
FAX 0171 491 6171
107 Grosvenor Road
London SW1X 8LP

HYDE PARK GARDENS
LONDON W2
A few select high apartment development scheme with superb landscaped gardens. Located in Hyde Park, 1/4 mile, 2 double beds, double shower room, dressing room, gallery dining room, study, etc. Total area 1,000 sq ft. Total price £765,000. Sales agent:

DTZ Debenham Thorpe
0171 733 2413

KINSEY ST, BELGRAVIA
2-storey townhouse built to a high specification. 3 beds, 2 baths, garage with terrace. Lease: 75 years. Total price: £450,000

CALE STREET, CHELSEA
2 newly constructed town houses designed over 3 floors, soon to be completed in a very high standard. FREEHOLD. Offer in excess of £450,000 each.

BELGRAVIA OFFICE Tel: 0171 235 3868
Fax: 0171 733 2413

BELGRAVE HALL AT THE OVAL
1-7 Clapham Road, SW9
LUXURY LOFT APARTMENTS AND MEWS HOUSES
ES LESS THAN 1 MILE FROM WESTMINSTER

Double height apartments with tall ceilings, cathedral like windows, fully fitted kitchens and luxury bathrooms in a restored historic grade II listed building.

2 BEDROOM APARTMENTS FROM £75,000
2 BED MEWS HOUSES FROM £110,000
3 BED MEWS HOUSES FROM £155,000

FOR FULL DETAILS CALL
ALAN SELBY & PARTNERS
0171-613-3055

CHESTERTONS
CHEEWOOD HOUSE, GLOUCESTER SW2

A third floor apartment decorated to a high standard with south facing balcony in this unique development block of 10 flats. Excellent 2 bed, 2 bath, 2 reception, 2 double bedrooms, reception, dining room, kitchen, utility room & conservatory. £200,000. Tel: 0171 235 3868
Fax: 0171 733 2413

DTZ CHESTERTONS
HYDE PARK 0171 262 5066

DTZ CHESTERTONS
CHEEWOOD HOUSE, GLOUCESTER SW2

A third floor apartment decorated to a high standard with south facing balcony in this unique development block of 10 flats. Excellent 2 bed, 2 bath, 2 reception, 2 double bedrooms, reception, dining room, kitchen, utility room & conservatory. £200,000. Tel: 0171 235 3868
Fax: 0171 733 2413

FULL REFURBISHMENT SERVICE
Excessive expenditure with full project management services, including design, planning, building, Letting and management. Tel: 0171 235 3868
NOW DISCOUNTED by 10% Tel: 0171 235 3868

BARBICAN Fully refurbished and carpeted studio 1 bed gnd flr. Quict, tastefully furnished. Area: approx 550 sq ft. Tel: 0171 235 3868

LITTLE VENICE
Tel: 0171 262 2365

MONTE CARLO
LES FLORALIES
(Centre of Monte Carlo)

Pleasant Studio
42 sq. m. entirely
refurbished, storage
room and double park-
ing space. (13)
Exclusive agent.

AGEDI
109 Blvd des Mexique MC 98000 Monaco
Tel: 33-02 165 999 Fax: 33-93 501 942

LONDON
RENTALSCHESTERTONS
ST KATHARINES
PRECINCT,
REGENT'S PARK NW1

A Gothic style house designed by Ambrose Poynter.
4 bedrooms, 3 bathrooms (1 en-suite), 3 receptions, kitchen and private paved garden. £1,500 pw.

CLOSE HARLEY ST NW1 3 beds, 2 rooms
set. Newly refurbed refit. 4th floor.
16-8. pds. £2000 per unfurnished.
Balcony. Tel: 0171 535 1363

CLOSE HARLEY ST NW1 3 beds, 2 rooms
set. Newly refurbed refit. 4th floor.
16-8. pds. £2000 per unfurnished.
Balcony. Tel: 0171 535 1363

BARBICAN 1 bed gnd flr. Quict, tastefully
furnished. Area: approx 550 sq ft. Tel: 0171 235 3868

LITTLE VENICE Tel: 0171 262 2365

LONDON
RENTALS

CANNES & PROVENCE

Quality properties to rent or
sell, inc. hotel/ restaurants. For brochure
Côte d'Azur, the English Estate Agents on
the French Riviera. France (33) 925 5107

FRANCE PROPERTY NEWS Monthly
1600+ properties. Local column etc.
Ask for your FREE copy now. Tel: 081 947 1854

WORLD OF PROPERTY MAGAZINE The
best & biggest. For your FREE copy Tel:
081 542 8008 Fax: 081 542 2737

ISLE OF MAN Chrysalis Chartered Surveyors
for Properties at all prices. No Capital Gain.
Tel: 01624 812236 Fax: 01624 814651

GRISE - TWO APARTMENTS FOR SALE:

1600 m² in Alpes, residence with a stu-
dio apartment by the French Riviera.
Contact: Chris Anderson, 46 BD Rive, 1290
Cannes. Tel: 41 22 776 82 24.

CANNES & PROVENCE Quality properties to rent or
sell, inc. hotel/ restaurants. For brochure
Côte d'Azur, the English Estate Agents on
the French Riviera. France (33) 925 5107

FRANCE PROPERTY NEWS Monthly
1600+ properties. Local column etc.
Ask for your FREE copy now. Tel: 081 947 1854

WORLD OF PROPERTY MAGAZINE The
best & biggest. For your FREE copy Tel:
081 542 8008 Fax: 081 542 2737

ISLE OF MAN Chrysalis Chartered Surveyors
for Properties at all prices. No Capital Gain.
Tel: 01624 812236 Fax: 01624 814651

LAKE GENEVA Well maintained chalet over-
looking Lake Geneva. 130m² with 150m²
land. Gas central heating, open fireplace. New
golf course. Tel: 01 55 80 2500. Tel:
0033 32 212 04 Fax: 0033 86 57 00

URGENT - Nr Cannes, lux 2-bed flat on 1st
fl. 130m² terrace, security, terrace, pool
gas, minip. garage. Tel: 01 55 80 2500. Tel:
0033 32 212 04 Fax: 0033 86 57 00

ROME Exclusive area of Pari. Classic apart-
ments 8 rooms apartment. 4 beds, 2 baths,
4 rooms. 270 sq. m. 265000. Tel:
0039 06 68 02 462

COTE D'AZUR 25 minutes from Nice airport,
peaceful villa with large reception and 4
bedrooms. 2100m² land with large pool,
views, only 2,100,000 Frs.
Contact: CHRISSA. Tel: 03 93 53 51 07

ROME Exclusive area of Pari. Classic apart-
ments 8 rooms apartment. 4 beds, 2 baths,
4 rooms. 270 sq. m. 265000. Tel:
0039 06 68 02 462

SWITZERLAND Apt. from 275,000,
chalets from 2250,000 in the best locations.
The Swiss experts, de Laro & Pina.
Tel: 081 742 0705 Fax: 081 742 0593

GUERNSEY - SHELDS I COMPANY LTD 4
South Esplanade, St Peter Port. One of the
islands largest independent Estate Agents.
Tel: 0481 714446. Fax: 0481 713511

OXON, character cottage 4 bedrooms,
2 bath. Fully furnished.

Phone or fax
01296 770514

CARTER JONAS

SUFFOLK

Debenham and Eye 6 miles
Bramlingham 6 miles

A Grade II Listed
Suffolk Long House

3 Reception Rooms
6 Bedrooms

2 Bathrooms, 2 Garages

About ½ acres

Offers around £250,000.

Ipswich: 0473 222656

12a St George's
Hanover Square W1 1AE

SAVILLS

WRINGTON WOODLAND
Nr BRISTOL, AVON

Bristol 10 miles M5 Junction 20 - 10 miles

A MOST ATTRACTIVE COM-
MERCIAL/AMENITY WO-
OD LAND WITH
SOME WELL STOCKED
QUALITY TIMBER.

Lot 1 Warren Plantation 102 Acres

Lot 2 Wrington Wood 76 Acres

In all about 178 acres.

Savills, Bath & Banbury:
0125 444622

Fountain Forestry, Banbury:
01295 750000

DORSET
SANDBANKS PENINSULA

Chalet Style Residence with
direct beach access & adjacent to
Poole Harbour.

4 bedroom, 3 bed, 2 bath, lounge, dining
room, sun room, kitchen, garage, garage
gas heating, garage.

Price OIRO £395,000

Sale Agents Fox & Sons

12 Haven Road,
Culver Cliff,
Poole. Tel: (01202) 709322



DO YOU WANT TO BUY A FARM OR ESTATE? PLEASE CONTACT ONE OF OUR RURAL PARTNERS LISTED HERE.

NORTHAMPTON N.D. SALTERS FRICS
Tel: 01604 233778

J. FLETCHER FRICS
Tel: 01926 819414

Fax: 01673 812211

CAMBRIDGE A.G. & W. FRICS
Tel: 01223 341500

Fax: 01223 345124

SCOTLAND JOHN TURNELL
Tel: 0141 2022844

Fax: 0141 460034

BIDWELLS CHARTERED SURVEYORS

ESTABLISHED 1872

JOHN D WOOD & CO.

LONDON AND COUNTRY ESTATE AGENTS

ESTABLISHED 1872

EAST SUSSEX - Peasmarsh

For 3 miles To Peasmarsh 24 miles London 2 miles

The remainder of an Agricultural Estate in an outstanding rural location.

Man farmhouse, cottage, two further period dwellings, etc. two ranges

of modern and traditional farm buildings.

About 572 acres

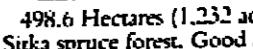
For sale as a whole or in four lots.

COUNTRY DEPT.

LONDON 0171-493-4106

AGRICULTURAL DEPT.

OXFORD 01865 311522



01738 630066

5 ATOLL PLACE PERIN BIRCH BURWICH BURY ST EDMUNDS LONDON PET 1

CAMBRIDGE IPSWICH NORWICH

WESTON SUPER MARE SOMERSET

Superb Victorian Coach House

With the following accommodation:

Entrance hall, cloakroom, scullery,

lounge, dining room, kitchen, etc.

Staircase, 4 bedrooms, 2 reception rooms,

2 bathrooms, 2 cloakrooms, 2

large shower rooms, three further bedrooms,

one double garage and car port.

£119,000 to £235,000 including garage.

Leave 125 years.

Full Service Charge details available.

FOR THIS AND ALL THAT IS BEST

IN RETIREMENT HOUSING

ACROSS RURAL ENGLAND

BOOKS

It may well be that Julian Barnes is our finest essayist. Some of the best bits of his novels are judicious essays: *Flaubert's Parrot* is, as has been pointed out, less of a novel than a brilliant and extended essay.

Letters from London suffers from no ambiguity of form. These are 15 essays originally published in the *New Yorker*. Their subject is the state of British society in the five years between 1990 and 1995. They have provided Barnes with the opportunity to write at length to a loose deadline. They evince an enormous care and craft and an enviable elegance.

Although written for an American audience, they do not suffer by that. In fact, as Barnes says in his introduction, he has become something of a foreign correspondent in his own country and as a result provides the British reader with fresh perspectives.

I was particularly struck by what a fertile period for an essayist these

Elegant dissections of life in Britain

Julian Barnes has captured our national absurdities with deadly precision, writes Justin Cartwright

five years were, between the fall of Margaret Thatcher and the arrival of Tony Blair, and how quickly one forgets the comic aspects of our national life, as one ludicrous incident follows another. The last five years seem to have passed in a blizzard of absurdity, each new full of snow obscuring the last.

The essays cover subjects as diverse as the plight of Salman Rushdie and the financial incompetence of Norman Lamont. Of Salman Rushdie's former wife Marianne Wiggins, Barnes writes: "She talked expansively to the Sunday Times about her character flaws... it... has an ironic side for those who knew her in pre-façade days. I remember, for instance, how she once wistfully declared

to me that she wanted, as a writer, to be no more than a mere foothill beside the mighty mountain that was Salman. Alas, when Mohammed came to the mountain, the foothill high-tailed it over the horizon." Sublime. Of Lamont: "He never seems to exude much confidence that he is Chancellor. I once saw a game-show on television in which the same piece of music was played three times, with a different conductor each time. The contestants had to guess which of the baton-waggers was a real musical conductor, the other two being by occupation bus conductors. Mr Lamont has always seemed the bus conductor type of chancellor." (Incidentally, Barnes goes on to milk the comparison

rather; he has a weakness for trying to get a little too much mileage out of his jokes).

His essays on Lloyd's, the World Chess Championship and Channel Tunnel are all wonderfully funny

LETTERS FROM LONDON
1990-1995
by Julian Barnes
Picador £6.95, 400 pages

and perceptive. They made me regret that we have no forum for this kind of considered essay. Instead we have a plethora of cheap and cheerful style-journalism.

One of the puzzles many of us have failed to crack is how Margaret Thatcher could have

appealed to so many people. Barnes describes a photograph in the *Downing Street Years* thus: "The Prime Minister is bunging out a speech while the President looks up with an expression of goofy awe.... For a while, at least, during Reagan's sleepy-saint citizen act, Thatcher could pose as the dynamic ideas merchant."

She seems also to have appealed to slightly goofy Kingfishers of a certain age, people like Kingsley Amis and Alan Clark. Clark's remark to her about Heseltine just before she stood down: "Who the fuck's Michael? No-one. Nothing. He won't last six months" is compared with her own, stuffy, account of the same meeting in *The Downing Street Years*. It provokes

this thought from Barnes: "It's hard not to prefer Clark's version. Had she been more of a Trollopian, she might have known to give *The Downing Street Years* its rightful, inescapable subtitle: 'She knew she was right'."

This led me to think about the nature of Barnes's essays. You cannot imagine Alastair Cooke, for example, turning such a cold eye on Britain. This master-class in the national sport of irony perhaps gives a clue to Thatcher's attraction: it may have been precisely because she had no sense of irony that she appealed to so many.

I was led further to wonder if there is not some defensive motive in this irony, which is reaching

plague proportions in Britain. If you have no blind, naive enthusiasm you are far less vulnerable. It is only when Barnes allows a little enthusiasm to show (for Tony Blair), that his guard drops: he writes, in August, 1994, of Blair's commitment to educating his children in the state system.

There was another unintended side-effect of these 15 essays: I could not help thinking that on de la Rochehouart's principle – in the misfortunes of even our dearest friends there is something that does not entirely displease – New Yorkers must have taken delight in these elegant dissections of our national life.

Although he professes himself to be "wary of zeitgeist journalism and decade-summarising" this is just what Barnes has done for the past half-decade. He has captured it with deadly precision. His essays are a superb, corrosive, and witty account of our times.

Fiction

Suspense and time travel

Stephen Amidon is a young-ish American writer who lives in London (and contributes to this newspaper). He has become a confident novelist, as is clear from his new book, *The Primitive*. The story of a (young-ish) laid-back copy-writer in a North Carolina town, is rapidly and crisply developed: David Webster accidentally runs a young woman off the road, rescues her, discovers she is an anonymous mystery, helps her, becomes infatuated. (The plotting problem here is skated over with brisk professional skill – why did he not take the injured girl home, or at least tell his wife, at the very beginning?)

But it is well done. "Burleigh" is the sort of territory Amidon has staked out before, a small Southern city recovering from the departure of the local tobacco industry, "downsizing" by literally closing off whole chunks of the town. The wife runs the local Public Broadcasting station, which is also dying. The marriage is

total contrast, is a lovely first novel by an Indian academic, a sort of magic realism borrowed from Latin America. The present-day narrator falls over a viaduct as he is taking his grandmother's ashes to the Ganges, wakes up in August 1942 and cannot get back. He is rescued by a Moslem family – he is all too aware, of course, of the fate that awaits them in the 1947 Partition – and gets caught up in all manner of earlier events, and adventures, including meeting his then-living grandmother.

"I was stuck with the certainties of hindsight", he rightly observes; there are no doubt all sorts of philosophical angles available and Mukul Kesavan toys once or twice with the theme of "disappearance". *Looking Through Glass* is, to use a dangerous word, charming; it is also beautifully written and full of wit and humour (more fun than *Midnight's Children*). A pity that the end is fudged and tumbled.

J.D.F. Jones

The business of living

Dr Jon Pyke – the cunning man of the title and the narrator – is an eccentric middle-aged bachelor who, after witnessing the mysterious death of an officiating priest at mass, begins to reflect on his own life.

A thorough man, he goes back to the beginning – to his childhood in Sioux Lookout, a dance-hall gigolo, he skipped across to a life in newspapers and, in his 60s, became editor in chief of the *Observer*. Supplied with a soap box he used to tell the taunting readers with his unpredictable but always highly readable columns on any subject that took his fancy.

More travel, more books. But there, apart from Burke, the story ends. We are told surprisingly little of the life and thoughts of O'Brien now. Where, for instance, are the vitriolic descriptions of the late 1980s and early 1990s premiership of his arch enemy, Charlie Haughey? Where are the thoughts on what is happening in Northern Ireland now? Has the author also wobbled off with his whiskey glass?

For "The Cruiser" is still very much around, a loose cannonball on the Irish stage. Long may he remain so.

THE CUNNING MAN
by Robertson Davies
Viking £15.99, 480 pages

to live and, furthermore, Robertson Davies has pulled off an amazing coup. He has written a brilliant, never less than engaging work of fiction which is also a philosophical meditation on the business of living.

The Cunning Man is a novel about ideas as much as it is a novel about characters, but the writer is as cunning as his leading characters when it comes to hiding the intellectual elements of the novel inside the story.

I have not read anything so good in a very long time.

Carlo Gébler



The Duke and Duchess of Windsor: a soap-opera existence of exquisitely shallow café society life

Helen Deacon

Wardress of the Windsors

Clement Crisp on a wickedly entertaining story of the Duchess and her bizarre court

decoration. She also has a taste for nicely discreditable footnotes, not least about the appalling Jimmy Donohue – Woolworth heir, impossible guest, and the man with whom Wallis Windsor became infatuated – whose trick at grand dinner parties, when he was not groping the footmen, was to put his laden plate on his lap, place his member on top of the food, and ask the butler to "slice it very fine".

In 1980, the Duchess was old, her health uncertain, her mind probably clouded. Intrusion by any journalist was unwelcome, and Blum's job was to prevent this. But her manner of doing so, and the obsessive fantasies she concocted about the Windsors – they liked to stay at home and read good books and listen to classical music; the Duchess never went to nightclubs – were aggressively

bizarre. Blackwood's portrait of Blum is etched in the acid of acute dislike and vestigial fear (what might she not do to those who crossed her, so formidable was she in life, as in court), and touched with wild caprice. Nothing escapes her unregenerate gaze, not Blum's face-lift nor the glut arrangement of her furniture, nor her passion for the Duchess, to whom she is shown as wardress and hagiographer. Blum declared Wallis Windsor to be "exactly like Queen Mary" – a mind-boggler which Blackwood juxtaposes with a reminder of a photograph showing the elderly Duchess frenetically doing the twist in a nightclub, and looking extremely drunk. Not, as she observes, especially reminiscent of Queen Mary.

How she coped, or rather failed to cope, with Blum is a tale that finally proves less



Suzanne Blum: Cerberus and hagiographer to the Duchess

Snowdon

Ireland's loose cannonball

Kieran Cooke on the (continuing) career of "The Cruiser"

extremely gifted, interesting sort of fellow. He has led a rich life. He has strong opinions on any number of topics. He still bashes out trenchant, quirky newspaper columns. In 1992 O'Brien published *The Great Melody*, a detailed biography of his hero Edmund Burke – a work Akenson describes as the summit of Burke's intellectual career. He has remarkable stamina, both intellectual and physical.

"His working day – even in his late 70s – is as follows: at his desk writing, between 6 and 8am; write continuously, with a lunch break and a walk, until 5pm; then two pints at the local; half a bottle of claret at dinner; several post-prandial whiskies, and then, with slurred speech, slightly whirling vision, and a wobbly walk, off to bed, to sleep soundly and wake and work early the next morning. This seven days a week."

Akenson does not show the same stamina. Early on his book is like a daily diary. By the time we get near to the

present day things are flagging. The book starts off in grand fashion, giving us full details of grandparent's and parents, the obligatory Joyce connection (James came to tea on Sundays at the grandmother's house). Burke's early fascination with language and his unconventional, non-Catholic, schooling. In a fiercely Catholic Ireland, Burke was, and still is, an agnostic. We go on through Trinity, a marriage, a book on Parnell, learning French and Russian, three children, a divorce.

The range of O'Brien's experience is indeed remarkable. He served as the UN's man in the 1950s bloodbath that was the Congo and, appalled at what he saw as the cynical behaviour of the big powers there and the UN's lack of backbone, resigned from both the UN and the Irish foreign service. "The watershed that was the Congo episode made Burke a very different man," says Akenson. "He became serious; previously, he had been merely gifted."

Next came a difficult period as vice-chancellor at the university of Ghana and fierce battles over intellectual independence with president Nkrumah. Again there was a resignation. On we go to New York and a further spell in academia. Burke went to Biafra. He wrote books and plays. He loved mixing it with the New York intel-

lectuals. He was firmly against the Vietnam war.

Then, in the early 1970s, the return to Ireland and to politics. "I only became a serious person in 1971," says O'Brien. "Before that I was an homme sensuel." Burke was too outspoken to be a good politician. Perhaps he was just too clever. Though he made it into the cabinet as a Labour minister in

"He could put forward the teeth-rattling proposition that although the majority of people in Great Britain approved of Irish reunification, in fact, the majority of people in the island of Ireland – north and south combined – did not want Irish unity" says Akenson.

To give voice to such ideas was political suicide. Burke was turfed out of office. Godforsaken place in Northern Ontario where his father supervised a mine. We follow him through childhood to public school and on to university, where he trains as a doctor by day and discovers high art, Anglo-Catholicism, Faust, Freud, homosexuality and women by night.

More travel, more books. But there, apart from Burke, the story ends. We are told surprisingly little of the life and thoughts of O'Brien now. Where, for instance, are the vitriolic descriptions of the late 1980s and early 1990s premiership of his arch enemy, Charlie Haughey? Where are the thoughts on what is happening in Northern Ireland now? Has the author also wobbled off with his whiskey glass?

For "The Cruiser" is still very much around, a loose cannonball on the Irish stage. Long may he remain so.

Filtration ended, hubris curtailed, (and the mystery of the

150

The anteroom of power

The man who became Edward VII was the longest serving Prince of Wales in history. Born in 1841, he was given the title almost at once. Yet it was not until 1901, after a lifetime of apprenticeship, that he became King, and he died in 1910. His domestic life was not entirely stable, and was often discussed in the popular press.

Here is a book that could be about someone else in a similar position. Although George Plimpton is discreet enough not to say so outright, it is hard to read his *Edward VII* without the mind repeating itself to Prince Charles.

Some questions scarcely change with time. For example, how do you train a future monarch? Who does the training? How do you arrange (should you arrange) a marriage, especially if you have a predilection for a European Royal who is not Catholic? And what does the heir to the

throne do in the meantime if the succession is delayed to an age when most other people are retiring?

Edward VII, or "Bertie" as he was known for much of his life, was trained like most.

His mother, Queen Victoria, thought that he was stupid. His father, Prince Albert, thought that he was lazy. Yet over the years signs of the training must have rubbed off.

Bertie went to both Oxford and Cambridge. He spoke fluent French and German. He joined the army, though without being allowed to serve in active combat, and he travelled all over the place: India, Egypt, the Holy Land, the US and Canada as well as Europe. By the time he came to the throne, as Plimpton slightly understates, his network of contacts

at home and abroad, was "impressive". He also did domestic service as President of the Royal Commission on the housing of the working classes in the mid-1880s. He visited some of the worst living conditions in London incognito and was appalled.

Yet when his father died and his mother grew older and more reclusive, there was no great disposition to bring the Prince more fully into public life. Victoria had no intention of letting him see state papers. Suggestions that he might play a role in India or Ireland were generally pooh-poohed because he might get in the way of the existing hierarchy of Viceroys and Governors-General, and, of course, the Queen Victoria.

Gladstone thought that the Prince should be employed in government ministries to give him experience of state affairs and show the public that he was doing something useful, but lesser ministers objected. It was said that he would turn up for work on the first day, then slope off to the races for the rest of the week.

EDWARD VII
by George Plimpton
Pavilion Books £19.99, 228 pages

The Prince rather liked Gladstone and was himself a liberal, though not on votes for women. When he went to India, he concluded that one of the causes of unrest was the attitude to the Indians of the English ruling class. He was notably sympathetic to Jews at a time when it was unfashionable to be so.

He was a rake, but also an amiable eccentric. He resigned from White's club because he was refused permission to smoke in the morning room. In Canada in 1882 he watched the French acrobat, Blondin, pushing a man in a wheelbarrow across a tightrope over the Niagara Falls. The Prince volunteered for the return journey and had to be restrained, so Blondin went back on stilts.

He paid great attention to dress. The modern dinner jacket is a derivative of a short jacket he chose to wear in India to get away from the more formal Victorian style.

As King he thought he could arrive in Naples without being recognised, but as an adviser observed, it was "rather absurd as no other human being in the

world would come with eight battleships, four cruisers, four destroyers and a despatch vessel".

The thesis of this anecdotal and thoroughly enjoyable book is that he was an innovative king without whom perhaps the British monarchy might not have adjusted to the 20th century. Certainly he presided successfully over a period when power was passing from the House of Lords to the Commons and the prerogatives of the monarchy were being eroded. He found other ways for the crown to work by being more visible to the public and above party political squabbling.

He was the founder of modern royal visits abroad. The answer to the question of how a future monarch should be trained, however, remains as elusive as ever.

Malcolm Rutherford

The man who dared risk peace

Optimism has been Shimon Peres' most useful asset during his five decades in Israeli politics, writes David Gardner

Shimon Peres, who has articulated for Israel the stuttering peace process with its Arab neighbours, was seen as a pragmatist in his youth. Now as foreign minister in his 70s, after virtually five decades in Israeli politics and government – including as defence and prime minister – and as winner of the Nobel Peace Prize, he is rightly regarded as a visionary. On the evidence of this memoir he was probably always a bit of both, plus – most usefully for someone living in his neighbourhood – an optimist.

From the foundation of the state, Peres has been at the centre of Israel's evolution and he tells the tale

BATTLING FOR PEACE: MEMOIRS
by Shimon Peres
Weidenfeld & Nicolson £20, 402 pages

well.

Born in a densely forested part of White Russia controlled between the wars by Poland, as a boy he used to sniff oranges from Jaffa, savouring the heady perfumes of the beloved Land. Shortly after arrival in Tel Aviv he concluded that "sun-tanned people... were happy people".

He was an earnest young man, hurling to the ground his parents' radio when they used it on the Sabbath. He would, his future wife by "reading to her, sometimes by the light of the moon, selected passages from Marx's *Das Kapital*". As a *klubbutnik* he observed irritably that cows "seemed to lack any sense of solidarity whatsoever".

Peres is very good on the Utopian impulse of pioneer Zionism, and on the danger and passion, the back-breaking labour, and the sheer intellectual excitement of the early years. He also draws compelling portraits of those who have loomed large in Israel's history: from his mentor David Ben-Gurion, the state's founding father, to Anwar Sadat of Egypt, the first Arab peacemaker.

Peres was drawn into Ben-Gurion's circle partly by shared enthusiasm for

books, especially because "they based their own ideology firmly on the Book of Books, the Bible". His uncommon respect for words shines out from his own book – even if it has been edited (well) by David Landau. An unexpected pleasure, for instance, is his chapter on François Mitterrand.

Invited to Mitterrand's cottage in the Pyrenees, Peres comes surreptitiously through the French president's books. "This was not the library of a collector, but of a reader," he notes, adding with delight that the open book by Mitterrand's bedside was "the Bible of a Bible-reader". He records revelations of the young Mitterrand's relations with the war-time Vichy regime, but this is easily overshadowed by his excitement at the Frenchman's biblical insights.

Peres has been close to French statesmen throughout his career, another main strain of which has been the procuring of arms for Israel's defence. France has been vital in this endeavour, in particular by providing the reactor technology which started Israel on the ladder to a nuclear weapons capability. Peres was chief coordinator of the nuclear option, but reveals little about it here: except, perhaps, in the way his career underscores how far Israeli nation-building has rested on the creation of an extraordinarily sophisticated military and security establishment.

Peres recounts interestingly how the making of war and peace looks from the inside, but adds little that is new. He confirms that the attempted assassination of Israel's ambassador to London in 1981 served merely as a pretext for the Israeli invasion of Lebanon, all but prepared by the government of Menachem Begin. He partly well confirms that Jericho was added to Gaza as the territory from which the Palestine Liberation Organisation was to start its own nation-building efforts, in order to steer the Palestinians away from their claim on occupied east Jerusalem.

The status of Jerusalem, and much else that should have been sorted out by now like the withdrawal of Israeli troops from the West Bank and Palestinian elections, is on hold, with



Peres' rival – prime minister Yitzhak Rabin – and PLO chairman Yasser Arafat still to demonstrate that they can lead their peoples to the historic rapprochement set up by Peres.

Peres quotes from a letter marking

Arafat's first direct intervention in the secret Oslo peace talks of 1993: "our need for this step is apparent to you, and your need to take this step is apparent to us."

He also reproduces a remark from

one of his own letters of that time, denoting exactly where the Israel-PLO accord, and the whole Middle East peace process, now risks implosion. "The biggest risk of all is the inability to take any risks."

A quantum leap in the dark

Physics sits at the centre of that momentously successful enterprise, science. So how can it be that the central part of physics itself – quantum theory – is so riddled with mystery? According to Richard Feynman, no one really understands quantum theory. It presents us with a truly bizarre picture of unreality, a picture which we have only succeeded in making intelligible by supposing that the existence of reality depends on our own minds. This view is known as the Copenhagen Interpretation (named after the work of Niels Bohr and his colleagues), and it mightly troubled Einstein, whose realism could not accept that the universe is somehow dependent on our observations of it.

Einstein is not alone. Many physicists have attempted to devise theories of quantum reality capable of explaining its unreality. In this characteristically lucid and entertaining book John Gribbin sets out to explain the problem and a possible solution.

In quantum mechanics light is described as both wave and particle, and can be shown in the laboratory to behave as one or other according to circumstances. The two-slit experiment is the classic exemplification: if light is shone onto a screen through a pair of slits, a

pattern of bright and dark bands results, thus confirming that light consists of waves – for waves interfere with each other as they ripple outwards from the slits, some of them joining forces to make bright bands on the screen, others cancelling out to make dark bands. But if one of the slits is closed, the light passes through the other slit like a stream of particles, suggesting individually as dots on the screen.

This duality is strange enough, but even more puzzling is this: if one of the slits is opened or closed after an individual photon has been fired at the other slit, the photon seems to know what has happened: if the other slit is open, the light behaves like a wave, but if it is closed, it behaves like a particle. It is this extraordinary fact that generates the deepest questions about the nature of physical reality.

The Copenhagen school explains these phenomena by considering matters strictly from the observer's viewpoint. On their theory, the observer influences the total experimental situation in such a way that its results are determined by his measuring activity. Whether light appears as a wave or particle can be interpreted as a function of the observer's presence. This makes reality

depend on our minds – just what Einstein rejected.

The alternative to the Copenhagen view, however, seems to be equally unacceptable. It is that, in effect, quantum phenomena communicate with one another instantaneously, even if they are huge distances apart; or somehow know in advance what is going to happen; for only thus would the photons in the two-slit experiment know how to behave, depending on whether the other slit is open or closed. So

SCHRODINGER'S KITTENS
by John Gribbin
Weidenfeld & Nicolson £18.99, 261 pages

we are on the horns of a dilemma: either reality is in some sense created by us, or an idea Einstein also flatly rejected – physics has to allow that information can pass through the universe at speeds greater than that of light – which is the same as saying that time can travel backwards.

Which horn should one choose? For Gribbin it is the latter. Reporting the theories of John Cramer, professor of physics at Washington University, he tells us how quantum waves can be interpreted as travelling backwards as well as

forwards in time, so that a given pair of electrons enter into a quantum transaction with each other, forming what is in fact an atemporal state but which, if each electron had simultaneously received information about its future from the other. Consider the two-slit experiment again: particles fired through one slit are, on this view, already linked to the particles they interact with on the receiving screen, and so have already been told whether they are passing through a slit with the other slit closed or open. If one accepts the idea that information can travel backwards through time, this solution is elegant and powerful.

Gribbin is at pains to stress that this is just a model, a myth, a crutch to help us imagine. He might also have stressed that it is just one among a number of ways of trying to understand quantum theory. Gribbin does not show the untenability of the Copenhagen view; he simply assumes it. Like other alternatives to Cramer's theory, the Copenhagen view is simpler and less exotic. But whether or not Gribbin's choice persuades, we catch a glimpse of an extraordinary adventure in progress, trying to catch ultimate reality by its exceedingly weird tail.

A.C. Grayling

Why has the phenomenon of "risk" become such a hot topic of debate and analysis in recent years? It would seem that as we fast approach a new century many of the old certainties – whether political, economic, or intellectual – are crumbling fast, with the result that the uncertainty principle of quantum physics already prefigured in Nietzsche's "nothing is true, everything is possible" and Marx's "all that is solid melts into air", has become a daily experience of reality for late-modern citizens.

We live in an ever-changing world in which speed is king and in which nothing can be taken for granted, whether we are talking of jobs for life, security of financial investments, or the future of the family and a whole array of modern social institutions. We are all risk agents now, and, as a result, individuals, businesses, institutions, and governments are seeking expert advice on how to manage risk.

It is the provocative contention of this book that "risk management" is oxymoronic: risk cannot be managed on any perfect model, which is what makes it genuinely risky. As the author points out, humanity can be divided into two types. First, we have Homo prudens for whom life is based on prudence, rationality, and caution; second, we have Homo aleatorius, for whom life is a great gamble, all is chance. What is inconceivable, how-

ever, is the attainment of a zero-risk life. For example, the pursuit of a risk-free life by staying in bed is full of risks and would result, paradoxically, in an early death from either apathy or boredom. It is more than likely, however, that death by boredom would set in first.

Much of the safety literature, Adams argues, either ignores Homo aleatorius or seeks to

RISK
by John Adams
UCL Press £12.95, 228 pages

reform him. The position adopted by our social controllers and political regulators is that people's risk thermometers are set to zero, or should be. Unlike earlier periods of history, including that of industrial societies, the "risk" which is peculiar to our post-modern condition is not characterised by ignorance but by knowledge. As the German sociologist Ulrich Beck has pointed out, it is not the deficient character of our mastery over natural and social forces which accounts for the production of risk, but, on the contrary, our perfected grasp over these forces. In other words, in an

integrated environment in which distinction between the natural and the artificial, the human and the machine, are no longer tenable, risk needs to be seen not as something which is encountered "out there" as an independent, blind force (a flood, an earthquake, etc), but primarily as a direct consequence and effect of the kind of societies we live in.

No matter how much time, energy and resources government and private industry invest in the management of risk, it remains the case that risk will continually elude our attempts to control and regulate it. As chaos theorists have taught us, if the logic of living systems is a non-linear one, then very small changes can produce incredibly large effects (e.g. the Beijing butterfly effect).

Keith Ansell Pearson

study of risk. He is particularly good in attacking the view held by many holier-than-thou, "green" intellectuals who hold that while the world may be an increasingly precarious place to dwell in, it is possible for humankind, with the help of sensible science and strong government, to create for itself a neat little pocket of safety and shelter in which it will identify for itself the limits beyond which it will not go.

Not only does this vision of safe living require an authoritarian, busy-bee politics to implement it, but it runs in the face of what contemporary science teaches us about the world: that life operates out of control and chaos is the order of the day. In order for human beings to be able to adapt to the far-from-equilibrium conditions of late-modern existence, risk has to be affirmed as an ineliminable feature of their existence. If moralising governments are fast becoming relics of the past, then the same fate awaits the dictating intellectual.

John Adams has written an engaging study which should appeal to a wide readership. He is excellent in debunking the myths which surround the

High camp meets feminism

This refreshing, gutsy fighting spirit appeals to the commonsense, writes Jackie Wulschlag

What happens when an intellectual transforms herself into a popular entertainer? In Britain, it hardly ever occurs, but in America a line of female thinkers this century have assumed a political and cultural prominence. Following in the tradition of Dorothy Parker, Mary McCarthy, Susan Sontag and Gloria Steinem, the latest is Camille Paglia. Her new book, *Vamps and Tramps*, is a ferocious challenge to feminist political correctness as preached, for example, by Steinem.

Five years ago, Paglia was an obscure humanities professor when her first book, *Sexual Personae: Art and Decadence from Nefertiti to Emily Dickinson*, blazed into the bestseller lists and blasted literary criticism out of the academy and into the high street. With essays on Apollo and the Amazons, on the lesbian vampire in Coleridge and the cult of the erotic in Balzac, it was not only the sexiest book on the classics to have appeared for decades, but also the most politically radical.

Now, five years on, Paglia is the philosopher turned politician. Unlike *Sexual Personae*, *Vamps and Tramps* is written for the high street. Its subjects are Princess Diana and Madonna, date rape, pornography and censorship, sexual harassment, AIDS. It is a model of how a breadth of references to myth and literature can illuminate current debate – as happens too rarely in England. But it also shows how much is lost, in seriousness, honesty, complexity, when an original thinker plays propagandist.

The best thing about *Vamps and Tramps* is its commonsense. Forget date rape or a bit of sexist office banter, for example: rape should be simply "defined as either stranger rape or the forcible intrusion of sex into a non-sexual context, such as a professional situation"; anything less trivialises the crime and reduces sympathy for genuine victims. On wife battering, women who stay with abusive men are complicitous after the first attack. Prostitution should be legalised and "treated exactly like the vending of any commercial product". Feminists by rape or by force evokes Cinderella, the princess in the tower, a pagan goddess, and the *mater dolorosa* of Catholic art, "a modern Mary with a taste for rock and roll", shows "ancient archetypes of conventional womanhood are not obsolete but stronger and deeper than ever."

The weakest moments are those where Paglia is boastful ("my meteoric rise"), relentlessly carpig against pampered white girls and their "artificially pacified" suburbs, or personally vindictive, as in "Sontag, Bloody Sontag". But at her most relaxed, as in her diary of a visit to London last year, Paglia's self-obsession is irresistible. "The steward offered me bubble and squeak [a British dish consisting of fried leftovers]. I am dumbfounded and think he is making a sexual proposition... I have ejected a belligerent reporter, considered an expert on feminism and it is must."

Paglia believes that her "raging egomania" and "volatile comic persona" have "helped restore free speech in America". Despite – or perhaps because of – its scholarly limitations, *Vamps and Tramps*, with its allusions to popular culture and drop-your-bra fighting spirit, suggests that she is right, and that she will be a refreshing and gutsy voice in Britain too.

ARTS

Television/Christopher Dunkley

A satellite with ambitions

Satellite television is still widely perceived as yob television: programming for the sports-mad lager drinker, for the couch potato who will watch anything described as a "movie"; for those who positively like old American soap operas or non-stop pop music or channels devoted entirely to repeats.

Yet there are satellite channels with higher ambitions, notably Discovery which describes itself as providing "factual programmes on every aspect of life on this planet". If there is such a thing as a documentary network, it is Discovery. So what would it bring you, assuming you subscribed to a cable service or bought a satellite dish?

Like so many satellite channels, Discovery shows considerable numbers of repeats bought from the terrestrial networks. Last night, for example, at the peak hour of nine o'clock it was repeating *Around Whicker's World: The Ultimate Package*, in which Alan Whicker accompanies a plane load of rich, elderly, holidaymakers on a whistle-stop tour of some of the world's most famous destinations. But the channel also commissions its own programmes and has begun a season of documentaries called "Outlaws", which will detail the lives of ice hockey players, motorcycle messengers, and so on.

The series began on Wednesday with *Girls 'n' The Hood*, a 60-minute study of the female members of the notorious neighbourhood gangs of Los Angeles. Unhappily this promised more than it delivered. Shot on lightweight video, it did get in among the (mostly grossly overweight) "girls" such as La Rascal, La Chunky and La Clumsy. But for all the tough swagger in the

voice-over - "They're outside their territory, flashing their signs, a clear sign they're here to rumble" - at the first hint of trouble the programme makers turned tail and fled. Did the girlz rumble? Who knows. Ninety per cent of the activity was about as violent as you would expect at the Wimborne One O'Clock Club. The climax came when a couple of whale-sized females grabbed hold of each other's blouses and would not let go. Golly.

According to the network's own publicity, the highlights for the month of April will include *Arthur C Clarke's Mysterious Universe*, *The Himalayas* and, beginning at the end of the month, a short season called "Full Metal Jacket" to mark the 20th anniversary of the fall of Saigon. The Arthur C. Clarke programmes may seem familiar to anyone who remembers the 1980 ITV series *Arthur C Clarke's Mysterious World*. Each of those began with the inventor of the communications satellite and author of *2001* wandering along a palm-fringed beach in Sri Lanka making brief gnomic utterances about the abominable snowman or poltergeists or some such. Then came a 25-minute film by somebody else, followed by another 60 seconds of guru Clarke roguishly assuring us there was probably some perfectly rational explanation, whatever the phenomenon.

Nothing much has changed. Clarke, now 78, tops and tails the programmes from Sri Lanka, standing in front of a fire engine while introducing someone else's programme about spontaneous human combustion (alleged, that is) or relaxing in his sarong to comment briefly on those nutty American accounts of abduc-

tion by aliens in flying saucers, the like of which now crop up once a month or so. From a surgeon there is a splendid account of gases from the human stomach being set on fire by a spark during an operation - though, as the doctor emphasises, this was perfectly ordinary combustion, not spontaneous. Other editions will cover the usual stuff: crop circles, out-of-body experiences, the mystery of the Easter Island statues, and so on.

The *Himalayas* is a more solemn series: conventional travelogue with lots of dramatic pictures of clouds whipping across high peaks, water rushing down mountain sides.

Tibetan monks, and talk about monsoon rains, deforestation, and the toughness of the Sherpas. It all brings to mind those films that geography teachers used to show in the 1960s after the summer term exams were over.

If all this sounds somewhat passe so be it; that is the way it seems. However, there is one programme coming up which those with access to the Discovery network may want to catch. The edition of "Outlaws" this coming Wednesday, called *Kings Of The Rigs* shows what life is like for the owner-drivers of some of those huge lorries which now roar up and down Britain's motorways.

Once again this is, technically,

a pretty conventional piece of programme making, yet it is a remarkable achievement given that it is the first programme to be made by producer/director Steve Flanagan. He concentrates on two men and one woman, conveying with admirable vividness their love of the job, their peculiar independence, and the amazing specification of the "rigs" which now come with double beds, television and showers on board, as well as CB radio.

Radio/Martin Hoyle

Right to interrogate

Last week with almost uncanny prescience this column acknowledged the tension between BBC interviewers and the increasingly truculent respondents from the ranks of the Conservative government. The latter are now at their old tricks (remember Norman Tebbit's "witch-hunts"), bowing foul play when not allowed to shout down their interlocutor or hounded into giving a straight answer to a straight question.

But then, to use the language of politics, if it doesn't hurt it (in this case journalism) isn't working. Paxman, Humphrys, Naughtie *et al* are asking the questions that thousands want answered. Part people's champion, part devil's advocate, the interrogator is not engaged in a PR function. By definition, those in power have the cards stacked in their favour; and at a time when government has never seemed more remote, unheeding and contemptuous as regards the governed, we rely on the media, some of them, to remind the powerful of our existence. That the BBC offends all impartially, from Harold Wilson's "yesterday's men" onwards, is a sign that they are doing something right. Brow-beating the BBC is seen for what it is: the panicky last resort of Macbeth lunging at the unstoppable Birnam Wood with a pair of secateurs.

The week started well, with Radio 5's *Now the Good News*, an improbable title these days. The man with no arms who had refused artificial limbs and

manages mainly with his feet sounded totally normal - no, actually such jollity and balanced good humour are not all that normal.

More good news: in Dundee they have invented "supercrete", an earthquake-proof concrete, and have raised funds for its development, in the time-honoured, unsubsidised British way, via a Highland radio station more used to promoting scences and home baking. The pleasantest news is that Eddie the Eagle, of the cheerfully disastrous skiing record, has become rather a good interviewer. I don't know how he would stand up to a cabinet minister, though; as I said, he deals with good news.

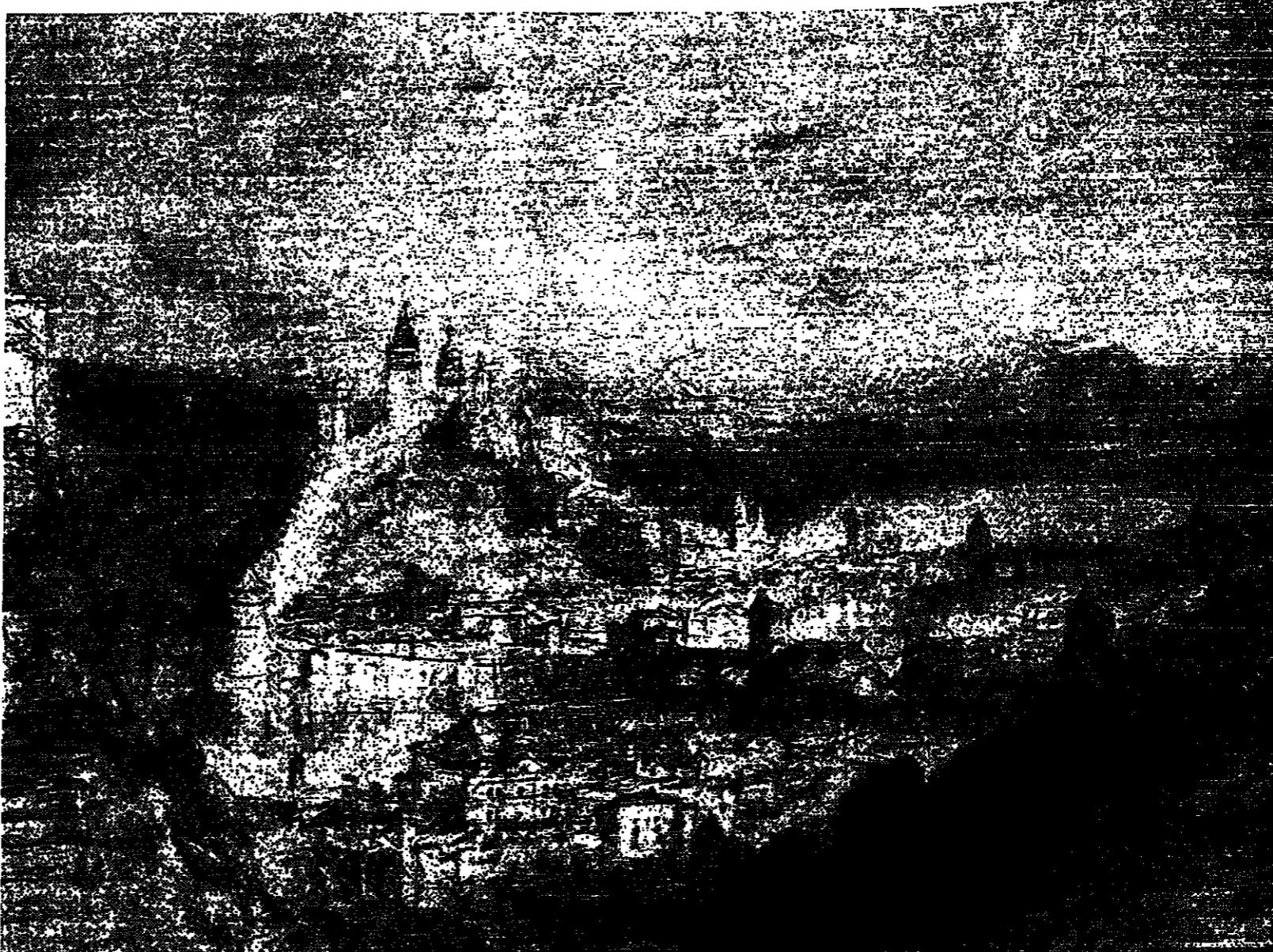
Radio 4's bias to the transatlantic has been noted by other listeners besides myself. Radio 3 is making amends with its emphasis on things British for the Purcell tercentenary, the 50th anniversary of peace and what have you. *The Great Leviathan* surveyed the rise and decline of the post-war welfare state, with some surprises. The concluding paradox pointed out that under Thatcher (who acceded when nearly half the national income was spent by the state) there was a secondary growth of state power into our present quangoocracy, an unlovely word for an alarming phenomenon. Interesting to learn that we were the first nation to conduct social surveys, even if we appeared not to know what to do with them. Sad to realise

that vengeful or envious politics have blurred what Conrad Russell reminded us should be "the greatest good of the greatest number". Inflicting pain for an abstract ideal has taken over, be it on unmarried mothers or public schools. Lord Halsham opined that the Conservative party should be led from the left, Labour from the right. It was as evocative and nostalgic as a 1963 *Top of the Pops*.

In those days we would have been sufficiently culture-conscious to know that a string quartet does not consist of two instruments, unlike Michael Rosen in *Anu Questions*. I once heard this expert on children's books stoutly defend Disney's film versions of English classics against their (by implication) over-precious detractors in such a way that I wondered if he had read the originals or realised what they were about. He should join Laurie Taylor in *Speaking as an Expert* (Radio 4), if he can stop reciting from the intimate tone with which Taylor suggests that his listeners are all co-conspirators. Last week's attempts to pass himself off as a brain-storming PR man was gib beyond the call of satire. Taylor is one of those all-purpose BBC chat types, like Robert Robinson, all facetious padding and jocular self-deprecation. A child once said of Hermeline Gingold, "Mummy, what is that lady for?" Of a whole breed of broadcasters who broadcast just because of the self-perpetuating propinquity to a microphone, the same question might well be asked.

But it will survive. Klemanszky is delighted that he has just been invited to join the "Club", a group of directors of the world's leading arts festivals - Edinburgh, Salzburg, Avignon and others - who swap gossip, ideas, and artists. This is confirmation that Budapest has arrived. The festival started in 1980 as a showcase for local talent and to boost tourism. In 1990 its future was in doubt. It is now financed by the city of Budapest, the travel industry, and, increasingly, sponsorship. The government stands back, no bad thing.

One distinctive feature is the press of young people at every performance, suddenly emerging at the gangways as the lights go down: they are encouraged to fill any unsold seat. Klemanszky also makes sure that surplus seats (the festival achieves an impressive 70 per cent capacity) go, at knock-down prices, to pensioners, students - and teachers, whose salaries have been left behind in the new, business-dominated environment.



"Lucerne from the Walle: Sample Study", 1841-2 by Turner; Ruskin's original selection of the artist's watercolour sketches has been reassembled for the first time

Ruskin's view of Turner

In the summer of 1840 when they first met, John Ruskin was 21, Turner 65. They were introduced by Thomas Griffith, Turner's dealer. This meeting launched a relationship of the greatest importance to the subsequent critical reputations of both men.

By the time of Turner's death in 1851, the publication of the early volumes of *Modern Painters* had long established Ruskin as a critic and as the artist's greatest and most controversial champion and apologist. In 1856, presented with the task of putting Turner's Bequest, then lodged with the National Gallery, in order, Ruskin's principle concern was for the work on paper - water-colours, the drawings and sketchbooks. By the end of 1857, he was to admit that he had seen barely a fifth of the 19,000 such studies to be catalogued.

He proposed to make a selection for display of about 100 watercolours that

would represent at once Turner's later travels, his formal interests, his working methods, and the relation of it all to the finished work. Eventually, he won the approval of the Trustees of the National Gallery for his scheme, based on a national circular tour through France, Germany and Switzerland to Venice, culled from the work that Turner had done on three journeys into Europe in the early 1840s. Ruskin felt he shared a particular sympathy with Turner for the great spaces and grandeur of the mountains and had sought out many of the spots where the artist had stood before his subject.

And now, in the Clore Gallery at the Tate, Ruskin's initial selection has been reassembled for the first time since he made it. It is an astonishing and ravishing show, even to us who are now used to the fleeting, even perfunctory but always beautiful qualities of the notes that Turner made on his travels. In a time when the expectation was for

something much more finished and resolved in an exhibited watercolour, the effect upon the public must have been even more radical and remarkable.

But it is Ruskin's own response to the work in the annotated catalogue he drew up, that gives the exercise an added and peculiar charm. How quirky it is, how literal, how unexpected, how wrong-headed, how profound. Certainly he makes no secret of his didactic purpose, for poor Turner is to be exposed in the kindest way as much for his faults as for his virtues.

No opportunity for instruction is lost by Ruskin. His "poor Turner" could not draw the distant fortress; having got into a great mess, he redeems it very nearly by the two dark cypresses... Again, "we... rub the colours about till all assume an expression of malaria fog, which we did not intend". Now "this cliff is a masterpiece of drawing. It is not possible with the given number of touches to indicate

more faithfully the form of a chalk precipice, or the way it breaks into turf at its brow". Another is "the grandest subject... I wish I knew where it was; and who the baron who first perched himself on that overhanging rock on the left". Yet another is "out and out the worst sketch in the whole series; disgracefully careless and clumsy". And then, with "an example of Turner's slightest work in his grandest temper", all is right again. "There is no laziness, no failure; but intense haste and concentration of power; every line and blot being of value." Amen to that.

William Packer

Through Switzerland with Turner: Ruskin's First Selection from the Turner Bequest; The Tate Gallery, Millbank SW1, until May 7, sponsored by Switzerland Live, Pro Helvetica Arts Council of Switzerland, and the Swiss National Tourist Office.

Rhapsody in Budapest

Antony Thornicroft reports on the spring festival

This philanthropy is shown in the generosity of artists appearing in the Budapest festival. This year choreographer Pina Bausch premiered a new work, *Carnations*; her Wuppertal company was not charging German rates. The Camerata Academica from Salzburg visited regional towns for nothing after its Budapest performances. Composer György Ligeti will come to the 1995 festival to lecture, and will give his fee to local arts foundations. Zoltán Kocsis, the Hungarian pianist turned conductor, who played an unflagging, deeply romantic, version of Bruckner's Eighth Symphony last Sunday, also returned his fee, while the orchestra, the Hungarian Festival Orchestra, played one performance for nothing.

But politics still dominate in Budapest. Klemanszky has to organise an arts festival without the total co-operation of the directors of the opera house and the national theatre - who were re-appointed the day before the last election by the outgoing conservative government and who are not in sympathy with his cosmopolitan programming.

However, the newly deco-

rated, late 19th-century exhibition hall on Heroes Square was ready in all its arts and crafts splendour to receive displays of art from Kunsthalle in Germany, Austria, Denmark, Sweden, and elsewhere. These 19th century temples of the contemporary arts were a foreign concept to the arts and discovering idiosyncrasies such as this ensure that foreign festival goers are an invigorating experience. Also invigorating is confronting also-known icons, like the Hungarian operatic epic set

in the 13th century *Bank bón*, and Kálmán's exotic operetta of 1915, *Csárdás Princess* - a tale of a nobleman's love for a night club singer which was regarded as decadent in communist times.

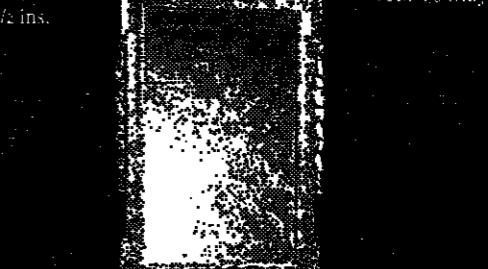
Next year the Budapest festival traces the relationships between European creativity and the exotic - Debussy inspired by the gamelan music of Indonesia, for instance; Peter Brook by Indian sagas; Ligeti by Africa. That, anyway, is the idea. Much could happen before next March. But something exciting will occur in a city which has embraced the west with an easy sophistication while retaining its own national pride and identity.

Norman Adams

8-10 Hans Road, Knightsbridge, London SW3 (opp. West Side Harrods)

Tel: 0171-589 5266

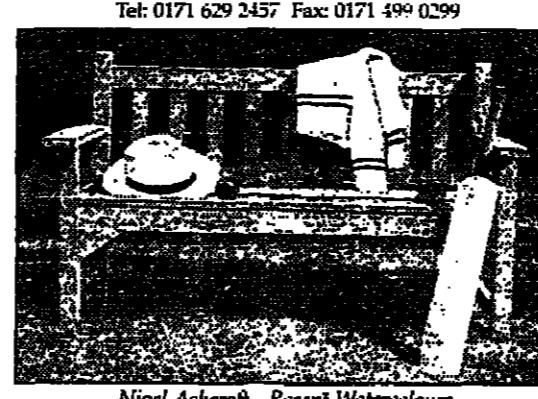
A very fine George I gesso mirror.
Circa 1725.
Height 52 1/4 ins.
Width 24 1/2 ins.



FROST AND REED

16 Old Bond Street London W1X 3DB

Tel: 0171-629 2457 Fax: 0171-499 0299



THAMES VALLEY ANTIQUE DEALERS' ASSOCIATION

1995 ANNUAL FAIR

APRIL 6TH TO APRIL 9TH AT SCHOOL HALL, ETON COLLEGE, ETON, WINDSOR

TELEPHONE: 0491 834393/0753 833594

THURSDAY 6TH APRIL 3.00 PM - 6.30 PM
FRIDAY 7TH APRIL 11.00 AM - 6.00 PM
SATURDAY 8TH APRIL 11.00 AM - 6.00 PM
SUNDAY 9TH APRIL 11.00 AM - 5.00 PM
AMPLE PARKING, REFRESHMENTS AND LIGHT LUNCHES

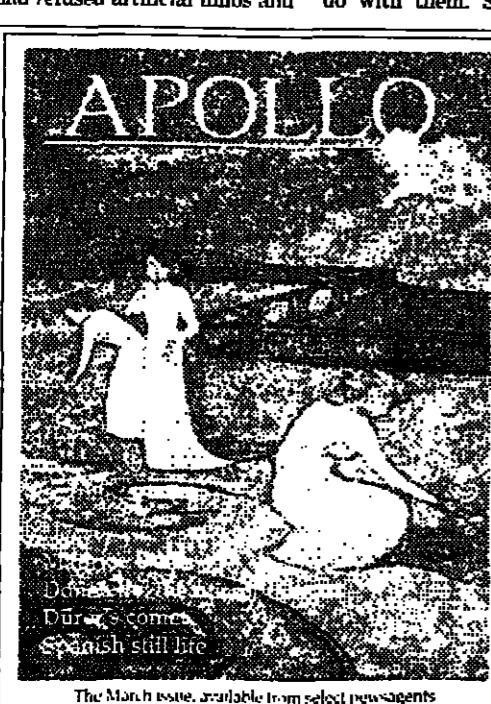
ARTSCOPE INTERNATIONAL

Highly competitive asset protection
from an established insurance
broker offering a discreet and highly
personalised service to discerning
clients throughout Europe.

Contact: Richard King or Aron Shapiro

Tel: 071-705 7600 Fax: 071-705 7625

Artscope International Insurance Services Ltd
Member of the RHT Global Art Group



APOLLO

THE INTERNATIONAL MAGAZINE OF ART AND ANTIQUES

Save 25% off the cover price
with an annual subscription

Annual subscription (12 issues):
UK £70.00; Overseas £75.00;
USA (air speeded) £125.00;
single copies including postage £10.00
(All major credit cards accepted)

24 CHESHAM PLACE LONDON SW1X 8HB
TEL: 0171-235 1998 • FAX: 0171-235 1689
TEL: 310 824 42, NORTH HOLLYWOOD CA 91401-0917 USA
TEL: 310 763 7673 • FAX: 310 753 4492
The March issue, available from select newsagents
or direct from Apollo



SPECI

ARTS

Lost in space, crippled by irony

A post-modern play about astronauts disappoints at the National Theatre

Paul Godfrey's new verse play, *The Blue Ball*, is dreadfully devoid of both art and drama. However, as postmodern whimsy, as a fragmented and many-pronged and ironic essay investigation into one interesting and complex feature of modern history, it passes the time (90 minutes, no interval) almost tolerably. Its subject is men and women who have been sent into space. Why them? How did space affect them? What is space like? What is life like after (or to speak) space? What to do with life after space? How have their family lives changed? *The Blue Ball* asks all the questions. The fact that its characters are weak on answers is part of its ironic point. The questions are not, after all, new; we have all been asking them ever since men went into space over 30 years ago. But Godfrey himself has spent time interviewing astronauts, and their weakness, in answering him, is what has launched his play. They were the action men, performing the acts that caught the imagination of the world, and yet they have less imagination and less intellect than lesser men. Were they anything more than supermodels, merely wearing the latest outfit? the scientists could squint in them?

The Blue Ball is written by irony. Godfrey was so tickled by the irony of himself, the playwright, interviewing them, the astronauts, that he has made himself a character. *Crypsis*, he is the imaginative artist, they have been involved in unimpressive acts. (Get the irony?) Few people have heard of him; the astronauts are world-famous, though all they

had to do is be reliable. (Irony?) He is trying to find out more about their thrilling past; they, after that past, are still trying to adjust to live in the mere present. To him, a mere playwright, they - who have been involved in the supreme drama of space - say lines like "I love the theatre"; to them, performers in infinite space, he says, lines like "Anything's possible in theatre". And so the ironies build. They speak to him because they want to be made immortal in his play; but when he has gone they wonder "Who was he? We never heard from him again." Perhaps it was a hoax? A female astronaut explains that she chose to fly because "As I'm sure you are aware, it is one of the most common female fantasies." To which he replies "How would I know that?" Finally, he - oh irony - rises into space too. (The "blue ball" is the earth, by the way, as seen from space.)

Godfrey's 1990 play *Once in a While the Odd Thing Happens* was mainly made interesting by its subject-matter: Benjamin Britten's relations with W.H. Auden and Peter Pears. Here, however, it is too absorbed by style to get a grip on the subject of space. How can a playwright off the ineffable, eh? His sense of this irony finally turns the play into the most rank exercise in self-consciousness.

There is much debate at present about the wisdom of allowing playwrights to direct their own work. There should be no dogma on this issue.

Where the play is good, the playwright may sometimes be who he knows best. But where the play is bad... Godfrey's staging of *The Blue Ball* is dis-

mal, and in exact proportion to the dismalness of his play. Very clearly, the actors' pacing illustrates the monotonous sterility of the lines. Very plainly, their use of stage space illustrates the stolidity of Godfrey's concept of space has been. The interactions of time and space should surely be fascinating - these men were supernaturally hurtled from the earth, only

then to float in space as if suspended in time - but here all plods.

Or almost all. One performance amid the cast of 12 stands out: Gabrielle Lloyd's account of Nell, one of the several astronauts' wives in the play, unhappy and perplexed, and absolutely alive. Everything else, including Stewart Laing's chunky designs and

Dexter Fletcher

Mimi Jordan Smith's hyperactive lighting, supports the terminally post-modern and undramatic nature of Paul Godfrey's play.

Alastair Macaulay

In repertory at the Cottesloe Theatre, South Bank, London SE1.

Music in London Restless Mahler

With its Tippett festival honourably discharged and overseas concerts with Boulez a couple of weeks away, the London Symphony has time enough to finish the complete Mahler cycle on which it embarked earlier in the year. How times have changed, when the nine Mahler symphonies are slipped in between festivals.

In effect, they mark the end of Michael Tilson Thomas's regime as the orchestra's principal conductor (an all-Bernstein programme in July will provide the final, star-spangled send-off). The years since he took the position in 1988 have witnessed a renaissance at the LSO, but Tilson Thomas is rarely credited as the instigator of this happy change of fortune. The orchestra's current high standing is ascribed to a combination of shrewd financial management and imaginative programming.

It is natural that the conductor would want to conclude his time in London with a major statement and a Mahler cycle is always that, as it was for Abbado before him. Coming in towards the end may not be the fairest way to judge the enterprise as a whole, but the strengths and weaknesses of this week's two concerts at the

Barbican seem fairly representative of what we have learned about Tilson Thomas over the past seven years.

The performances were alert, dynamic, well-organised, exciting at best, presented with an unmistakable (though not gratuitous) flourish of showmanship. What they failed to do was reveal much about Mahler one would not have known already. The most successful part of the Seventh Symphony was the empty note-spinning of the finale, which Tilson Thomas whipped into a headlong rush of adrenalin. The Mahlerian ghouls that lurk in the shadows of the earlier movements were not paid much attention. Although the LSO gave him its sharpest ensemble, it was interesting that the playing was back to being relentlessly bright and incisive in the orchestra's former manner.

In

Das Lied von der Erde

there were signs that Tilson Thomas gets restless in dealing with sustained slow speeds (deprived of masses of notes and instruments, he seems short on ideas of what to do). The long, final "Abschied" never relaxed enough to suggest timelessness; it all happened very much in the here and now, touching though the last pages were in a sentimen-

tal way. Thomas Hampson, who is just as inclined to project his music outwards rather than draw an audience in, was the rich-voiced baritone. Ben Heppner delivered the tenor songs with effortless confidence. What a joy to hear two voices of a generous size in this work, able to make the words audible without undue strain.

To go with the symphony we had Schumann's *Fantasiestücke* for solo clarinet (well put across by Andrew Marriner) and Boulez's *Eccl.*, a strange combination. The other concert introduced a movement from the Symphony by Hans Rott, which presages Mahler's Fifth so vividly as to make one rethink all the accepted notions about where the later composer learned his musical style. There is a recording available, but a live performance of the whole symphony would be welcome, a decent attendance could be guaranteed. The name Mahler draws an audience these days, whereas a composer named Rott starts at an obvious disadvantage.

Richard Fairman

Final two concerts of the Mahler cycle on April 2 at the Barbican Hall and April 3 at the Royal Albert Hall

Seductive French song

F

rench music has

fe

atured strongly at the Wigmore Hall over the last week, with the latest instalment of the Wigmore's French season on Wednesday following just days after the final concert in the Nash Ensemble's series "A Golden Age of Parisian Music".

Wednesday's recital of *mélodies* by Bizet, Saint-Saëns, Duparc, Fauré and Dupont brought two Americans, the tenor John Aler and pianist Jeff Cohen, fine interpreters of this repertoire. While Aler is no stranger here he drew a disappointingly small audience; but those present were rewarded with a display of lyrical virtuosity. He uses his bright, high tenor with uncommon sensitivity; his ability to produce true *pianissimos* at

the top of his range makes him a rare creature indeed. Helped by Cohen's unfailingly musical contributions, he was totally at ease in this difficult music.

Aler caught the artlessness of the Bizet songs, of which the most beguiling was "Ouvre ton cœur" - a recycling, it seems, of the Young Bulgarian's serenade from his ill-fated

opéra *Don Quichotte à Dulcinée* became a barrier to communication, and Ian Brown's staid piano accompaniments brought no spark either.

The Nash players leavened Ravel with the *Suite de Concert* from Milhaud's haunting *La Crédation du Monde* and Dominic Malodowney's arrangement of Satie's *Sports et Divertissements*. This was given in English (narrator: Eleanor Brown), which only served to underline the puerility of the 20 miniature pieces; but then perhaps Satie should be exposed for what he is.

Aler is an excellent linguist.

John Allison

Record review/Peter Aspden

Contemplative pop

It is more than the bewilder array of haircut he sprouts which makes Elton John one of the most youthful of British pop's older statesmen. There are no radical changes in his familiar style on *Made in England* (Rock), but there is certainly a freshness and vigour about the album which belies the longevity of his musical career.

It starts in a determinedly low-key mood, with war, money, cancer and dictators all getting a namecheck on the opening verse of the opening track; the dirge-like "Believe" is closely followed by "Cold" (arrangements curiously reminiscent of John Lennon circa *Imagine*) and "Pain", an odd mishmash of upbeat music and Bernie Taupin's bleak lyric,

But there is an effective air of contemplation in Paul Buckmaster's lush string arrangement for "Believe", despite the off-earthy Irish moment, and George Martin's jaunty work on "Latitude" is welcome reminder that if you hire the top people, you get the results. I would imagine two or three of the songs on *Made in England* will make monster singles (the title track is not among them) and John, sounding revived, refreshed and relaxed, will further embed his

passion him by in the last 10 years or so. *Conversation Peace* (Motown) is, as you might expect, full of immaculately produced, bubbling synths, bass and drums to the fore (I was also reminded of Tony Visconti's bombastic production on David Bowie's *The Man Who Sold the World*) and an unsettling intensity of voice

that would be more than enough for his many followers; there are few really had moments, although some of the lyrics drift dangerously towards psycho-babble ("There's a place I can go, when the tension's high and I'm feeling low, in a flash I can be in another space, as a different me, have a new id").

But there is something a little too slick about most of the songs; Wonder is surely too astute a musician to be content with an album which makes little more than good driving music. There are glimpses of the man's sheer facility with melody and rhythm: the deliciously sliding key changes in "Taboo To Love", the urgent syncopation of "Sensuous Whisper", and the genuinely moving "My Love Is With You", a noble piece of social commentary against gang violence, but lacking the incisiveness of "Living In The City".

I thought for one dreadful moment, while listening to P.J. Harvey's *To Bring You My Love* (Island), that I had blundered across a Black Sabbath album from 25 years ago. Then, a few seconds later, that my tweeters had blown and gone to hi-fi heaven to meet some nice, clean-cut woofers and make lots of babies.

But then I noticed Bad Seed Mick Harvey's appearance on

Chess No 1068: Loyd's April Fool puzzle has nine black pawns. Remove any pawn to make a legal position, and White has mate in one.

ART GALLERIES

ST. JOSEPH'S HOSPICE
MARE ST, LONDON E2 5SA
(0171 552 2222)

An Easter Message

Winter has gone - and with it went many of our gravely ill guests. They left us in the company of friends - family and constantly supported by yours.

Prayfully & gratefully we wish you all the blessings of Easter and the pleasures of Spring.

Step Superior.

Plus all our regular columnists including Jeffrey Bernard, Paul Johnson, Nigel Nicolson, Christopher Fildes, Nigel Lawson, Sheridan Morley and Andrew Robson's Bridge column. Together with the best cartoons of the week.

ALL
WEEK'S
SPECTATOR
OUT NOW!

ST. PETERSBURG FINE ARTS
Presents contemporary Russian water colours and etchings at Brookwood, Colmore, Cumbria. April 3rd to 29th. Tel 01473 551 220/01 550 4166.

MARTIN GREGORY English Watercolours 1650-1950. 3-21 April. 34 Bury St, St James's London SW1 0171 538 3731.

and lyric. It is the kind of album which, listened through headphones, makes you think there is a beetle crawling across your brain.

Most extraordinary of the ten tracks is "I Think I'm A Mother", in which Polly Jean growls with her best Beefheart voice over a drums-organ-guitar drone. It is followed by the album's catchiest song, "Send His Love To Me", which almost comes as light relief. This is prime existential crisis music; only a matter of time, surely, before it hits the soundtrack of a Wim Wenders movie.

and

lyric.

John Allison

FT

UK ARTS GUIDE FAX

If you are interested in the arts, we have a weekly fax service to suit you. Our UK Arts Guide covers those major productions reviewed in the FT - giving a full listing of events and also the option to access the FT review of your choice.

For a full listing of the choices available, dial 0891 437 200 from the keypad or telephone on your fax machine, and follow the voice prompt.

FT ARTS GUIDE

Dance Film Books Exhibitions Theatre
Opera Prince of Wales Pre-Raphaelites Hamlet
Sleeping Beauty Franklin & Gellibrand Gielgud
Fest 201

To receive the FT review of your choice, dial 0891 437 followed by the 3 digit code which appears against the particular event shown on the full listing. Please dial from the keypad or telephone on your fax machine, and follow the voice prompt.

FT ARTS GUIDE

HAMLET
Not only is Stephen Dillane's Hamlet the freshest, most interesting, and most peculiar ingredient.....

Please note: If you experience any difficulties accessing our service by dialling from the keypad of your machine, try polling mode or leave your name and address on our Helpdesk line (0171 873 4378), stating this fact, and we will send you a connecting device to enable you to use your telephone with your fax.

FT
FINANCIAL TIMES
Information

Corbally Stourton Contemporary Art (New Australian Office) PO Box 605, Sydney New South Wales 2027 Tel: 010 614 2004 5848 Fax: 00612363 9628

Corbally Stourton Contemporary Art deals in works of art by all well known Australian Artists including Arthur Boyd, Sidney Nolan, Fred Williams, Brett Whiteley, and all the leading Aboriginal Painters.

If you would like further details on Australian paintings, sculpture or Aboriginal art, please complete and send your details.

Name Address Tel

Arthur Boyd in Tuscany

Last summer, for the first time, Arthur Boyd produced a set of limited edition colour etchings. These are available through Corbally Stourton Contemporary Art by appointment only.

Corbally Stourton Contemporary Art (New Australian Office) PO Box 605, Sydney New South Wales 2027 Tel: 010 614 2004 5848 Fax: 00612363 9628

Corbally Stourton Contemporary Art deals in works of art by all well known Australian Artists including Arthur Boyd, Sidney Nolan, Fred Williams, Brett Whiteley, and all the leading Aboriginal Painters.

If you would like further details on Australian paintings, sculpture or Aboriginal art, please complete and send your details.

Name Address Tel

TRAVEL

A treasure island guards its heritage

Providence, off Colombia, is an endangered paradise, says Sarita Kendall

The destiny of the Puritans who sailed to America on the Mayflower is familiar history, but those who set out 10 years later for the Caribbean aboard the sister-ship Seaflower have long been forgotten.

They were hardworking people running from religious and political problems in England, trying to find the golden road to El Dorado.

"When they reached Providence Island they found a beautiful wilderness, with mahogany and cedarwood for building ships, fresh water and a rich soil," said Virginia Archbold, president of the island's municipal council and an historian inspired by everyone who delves into the fascinating local genealogy.

The financial and religious backers of this small expedition thought their tropical Puritan settlement would become more prosperous than the chilly New England colonies. Yet, within a few years, the island had become a less-than-godly pirate stronghold, a base for raiding Spanish galleons in the western Caribbean.

In 1641 the Spaniards launched a successful invasion from Cartagena and today Providence is an unlikely English-speaking outpost of Colombia where church-goers in flowered silks and Sunday suits recount tales of treasure.

Circling the island is a road travelled by gas-guzzling American taxis from the early 1970s, noisy scooters and cycle riders herding cattle. Above the road, steep volcanic hillsides rise to rocky peaks of more than 1,000ft. Most of the big cedars have gone, but woods still cover the upper slopes and streams spill down to flatter land where guavas, oranges, mangoes, banana and cassava grow.

A long pink and blue wooden bridge links Providence to the smaller island of Santa Catalina, inhabited largely by seafaring and fishing families. Some 4,500 people live on Providence, many of them descendants of adventurers, pastors, sailors and African slaves who settled on the island more than 150 years ago.

"Island natives are practically like a tribe," said Raul Howard, who pointed out that there are really three languages spoken on Providence, or Providencia, to give it the official Colombian name - standard English, Caribbean English and Spanish.

"Around 1960, when I was at school, we had to change language and religion from one moment to another... English to Spanish and Protestant to Catholic. Until then Colombia had left us alone. But they started interfering, and so separatist ideas

developed here. Now the new constitution states that Colombia is a multicultural country, that we can keep our language. This is good for us."

Islanders have an ambivalent attitude to the "mainland", particularly when they talk about the fate of neighbouring San Andres, which has been thoroughly Columbianised during the past 30 years.

Although San Andres, at 26 sq km, is only

30 per cent bigger than Providence, it has

more than 10 times the population. Colombian tourists pour into the big hotels during holiday periods and return to the mainland laden with televisions, micro-wave ovens and other duty-free goods.

In contrast, Providence's tourist trade is incipient - last year 28,000 people visited the island - and it has none of the cocaine-financed eyesores found on San Andres.

One can leave possessions unattended and walk anywhere at any time

"We're just in time to save the island, but it has to be now," said Jaime Valderrama, director of the Trees and Reefs Foundation.

"The council has approved a development plan drawn up with a lot of participation. Recent laws give Providence room for autonomous decisions on controlling immigration from the mainland, the exploitation of natural resources and other matters."

Richard Hawkins, also of Trees and Reefs, is the guardian of the peaks. Heading uphill and wearing faded denim, chunky Indian necklaces and Rasta beard, he swung his machete to cut back branches of cockspur, a plant whose seed pods hide furious, stinging ants. Twisting vines and orchids clothed the trees and tiny silvery snakes darted under stones by the path.

"Climbing to the peak is easy. The hard part is leaving," he said. With the island unfolding to coconut palms, brightly painted wooden houses and a white sand beach below us, I had to agree. The most beautiful thing about Providence is the multi-coloured sea. It breaks over the long reef that protects the island, changing from the indigo of the deeps to a medley of

the last mayors kept promising a place for clubs and activities, where they could learn island dances like the waltz and the schottische... young people don't know about island history and traditions."

There is little visible history on Providence, apart from the old cannon on the fort guarding the entrance to the main anchorage. But Virginia Archbold is a

fount of oral traditions including treasure stories.

One concerns the legendary pirate Henry Morgan, who used Providence as his haven while planning the sack of Panama. When he brought a looted fortune back to the island, he asked who among

his followers loved him most. He ordered

the four who stepped forward to help him bury the 40 boxes of gold, then killed them so they would guard the hoard for ever.

Richard Hawkins believes that Providence's real treasure is found in nature, history and culture. "The few turtles left

don't come to our bays any more because we are stealing sand from our own beaches to build septic tanks and roads. We kill them, take their eggs and drive them away. If we don't watch out, we'll destroy our own island and have to abandon it like a sinking ship."

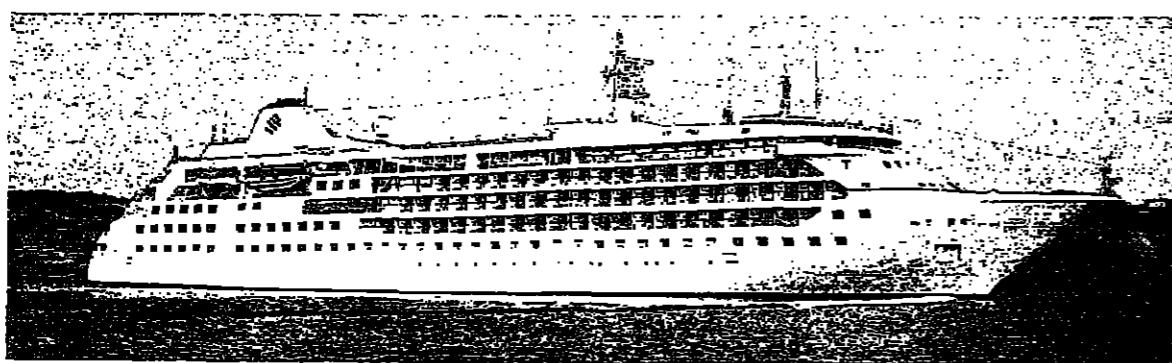


Riches of the sea: many of Providence's fishing and seafaring families are descended from adventurers, pastors, sailors and African slaves. See box

THE ULTIMATE SILVERSEA BANK HOLIDAY

Cruise in Grand Style from Venice to Monte Carlo.

An 8 day Romance with the Riviera on-board Silver Wind, the ultimate statement in stylish cruising. From only £2,400. All-inclusive.



We invite you to join us as we set sail from Venice to Monte Carlo for a memorable 8 day Mediterranean adventure on Silver Wind, one of the world's finest cruise ships.

Embarking from Venice, the floating city of canals and Baroque palaces we cruise down the Adriatic towards Kefalonia in Greece. The essence of unspoilt Greece and surrounded by vineyards abundant with sweet grapes, we take refuge here for the day in the warm, Mediterranean sun.

Refreshed and invigorated with an even greater sense of adventure, we continue our journey through antiquity to Porto Empedocle in Sicily with its many temple ruins and buildings from the Baroque and medieval periods.

Our last port of call, but by no means least is the capital of chic, Monte Carlo, where we celebrate in

grand style with a Special Surprise Gala Dinner.

Why not join us for our Romance in the Riviera?

As a guest on-board Silver Wind you will live in the lap of luxury in your own private suite; dine à la carte in our own gourmet restaurant; enjoy complimentary drinks throughout your cruise including premium spirits, fine wines and Champagne, and you will receive caring and attentive service at all times.

All this for an all-inclusive price which, together with our Early Booking Saving, offers unbeatable value when compared with other luxury cruise ships. Even the gratuities are included.

To reserve your suite, call in to your local travel agent, return the coupon below or call the Silversea Cruise Desk now on 0171 729 1929.

Always exclusive. All-inclusive.

See what our Silversea cruise includes:

★ Luxury all-suite accommodation - 75% with verandas

★ All scheduled return air fares including complimentary UK domestic flights plus transfers.

★ Special Surprise Gala Dinner.

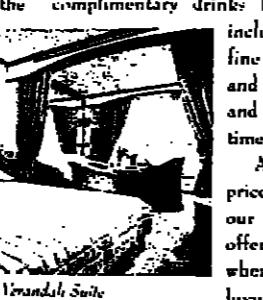
★ Complimentary alcohol and non-alcoholic drinks throughout the ship.

★ All gratuities - there's strictly no tipping on-board Silversea.

★ All port charges.

★ The Silversea Experience - a unique shore excursion.

10% EARLY BOOKING SAVING. Book and pay before 18 April 1995 and save over £500 per couple on a Silversea suite.



The Veranda Suite

Complimentary domestic flights in the UK to departure airport.

0171 729 1929

VENICE TO MONTE CARLO - THE ROMANCE OF THE RIVIERA

Cruise Summary

25/7/95 VENICE TO MONTE CARLO - 8 Days

31 May Flight to Venice, Italy. Transfer to the Silver Wind

01 June Lascala day off sea

02 June Kefalonia, Greece

03 June Lascala day off sea

04 June Porto Empedocle, Sicily

05 June Lascala day off sea

06 June Monte Carlo, Monaco

07 June Monte Carlo, Monaco

Transfer to Monte Carlo night

08 June Monte Carlo, Monaco

Transfer to Monte Carlo night

09 June Monte Carlo, Monaco

Transfer to Monte Carlo night

10 June Monte Carlo, Monaco

Transfer to Monte Carlo night

11 June Monte Carlo, Monaco

Transfer to Monte Carlo night

12 June Monte Carlo, Monaco

Transfer to Monte Carlo night

13 June Monte Carlo, Monaco

Transfer to Monte Carlo night

14 June Monte Carlo, Monaco

Transfer to Monte Carlo night

15 June Monte Carlo, Monaco

Transfer to Monte Carlo night

16 June Monte Carlo, Monaco

Transfer to Monte Carlo night

17 June Monte Carlo, Monaco

Transfer to Monte Carlo night

18 June Monte Carlo, Monaco

Transfer to Monte Carlo night

19 June Monte Carlo, Monaco

Transfer to Monte Carlo night

20 June Monte Carlo, Monaco

Transfer to Monte Carlo night

21 June Monte Carlo, Monaco

Transfer to Monte Carlo night

22 June Monte Carlo, Monaco

Transfer to Monte Carlo night

23 June Monte Carlo, Monaco

Transfer to Monte Carlo night

24 June Monte Carlo, Monaco

Transfer to Monte Carlo night

25 June Monte Carlo, Monaco

Transfer to Monte Carlo night

26 June Monte Carlo, Monaco

Transfer to Monte Carlo night

27 June Monte Carlo, Monaco

Transfer to Monte Carlo night

28 June Monte Carlo, Monaco

Transfer to Monte Carlo night

29 June Monte Carlo, Monaco

Transfer to Monte Carlo night

30 June Monte Carlo, Monaco

Transfer to Monte Carlo night

31 June Monte Carlo, Monaco

Transfer to Monte Carlo night

01 July Monte Carlo, Monaco

Transfer to Monte Carlo night

02 July Monte Carlo, Monaco

Transfer to Monte Carlo night

03 July Monte Carlo, Monaco

Transfer to Monte Carlo night

04 July Monte Carlo, Monaco

Transfer to Monte Carlo night

05 July Monte Carlo, Monaco

Transfer to Monte Carlo night

06 July Monte Carlo, Monaco

Transfer to Monte Carlo night

07 July Monte Carlo, Monaco

Transfer to Monte Carlo night

08 July Monte Carlo, Monaco

Transfer to Monte Carlo night

09 July Monte Carlo, Monaco

Transfer to Monte Carlo night

10 July Monte Carlo, Monaco

Transfer to Monte Carlo night

11 July Monte Carlo, Monaco

Transfer to Monte Carlo night

12 July Monte Carlo, Monaco

Transfer to Monte Carlo night

13 July Monte Carlo, Monaco

Transfer to Monte Carlo night

14 July Monte Carlo, Monaco

Transfer to Monte Carlo night

15 July Monte Carlo, Monaco

Transfer to Monte Carlo night

16 July Monte Carlo, Monaco

Transfer to Monte Carlo night

17 July Monte Carlo, Monaco

Transfer to Monte Carlo night

TRAVEL

A simpler way of living

Sue Nelson enjoys the outlook – and home cooking – of the Mennonites in Dutch Pennsylvania

I was roused from my bed on a Friday afternoon. The streets were gridlocked. Everyone, it seemed, was escaping from New York. But soon, on an empty road 150 miles away, city life became a distant nightmare.

Suddenly, my car lights lit up another vehicle approaching a covered bridge. It was a horse-drawn carriage clattering in the moonlight, and it meant my journey was over. I had reached Dutch Pennsylvania, the heart of Lancaster County, and home to both the Amish and Mennonites.

It was late when I arrived at Pequea farm and everyone had retired for the night. A note on the unlocked front door directed me to a room containing a bed, wooden dresser, and rocking chair. There was a Bible on the bedside table.

A rooster greeted the morning with a raucous squawk. Gazing from the window, I saw ploughed, snow-fringed fields and the outline of a barn and silo on the white horizon. A buggy, harness tinkling, trundled along one of the narrow roads. It was an exhilarating sight and from an unusual viewpoint: inside a Mennonite family's home.

Although the film *Witness* brought the Amish people to a worldwide audience, Mennonites remain largely unknown. Both are Christian fellowship, dating back to the Anabaptists of 16th century Europe, and the Amish are an offshoot of the Mennonites.

Most Amish groups still consider themselves the Mennonites' conservative 'cousins' and Lancaster County contains both the oldest settlement of Old Order Amish and the largest community of Mennonites in the world.

Downstairs, in the living room, I met one of my Mennonite hosts for the first time. Ten-year-old Matthew was playing a wooden version of bar football with a friend.

It was slightly embarrassing at first, wandering through a stranger's house, trying not to examine the coal-burning stove or the mementoes on a piano. Stepping past Matthew's game, I met his mother, Joyce Eby.

"You made it," she said. "Sit down and have some breakfast." Joyce produced cinnamon toast, pumpkin cake, a bowl of frozen cherries, orange juice and coffee. "My husband Mel's milking the cows," she said.

Mel Eby, like Joyce, has lived in Lancaster County all his life. The Ebys, one of the original families to arrive in Pennsylvania, are descended from the Swiss Mennonites. Joyce's family originates from Germany. Although Mennonites also migrated from the Netherlands to Poland and Russia in particular



Amish farmers harvest corn in Lancaster County using horses and mules

"Dutch" Pennsylvania is not strictly true. Dutch, in this case, is simply a corruption of Deutsch.

The Eby family began taking guests into their brick farmhouse 25 years ago. Pine wreaths and red ribbons decorated each window while inside, furniture had the luster and wear of old polished wood.

Haym music was played on an organ; a sled doubled as a coffee table, and a tapestry declared "families are forever" on a wall.

A portrait of Jesus was surrounded by an array of family photographs: the familiar face of Mat-

thew; another son Michael, now married and living nearby; and their sister, Melody. As Joyce listed their names and ages I was puzzled.

Melody, who looked Matthew's age, was apparently 17. Then I noticed a figure in the kitchen – it was Melody's tiny body in a wheelchair.

Outside the air was fresh and crisp. Crossing the creek that gives Pequea farm its name, I followed the road and explored the immediate area on foot, surrounded by farmland.

Every so often a buggy passed by. The occupants, wrapped in shawls

or frock coats, either smiled or raised a hand in recognition. The older men, faces fringed by distinctive beards, nodded sternly but politely.

Behind the houses along East Pequea Lane, I noticed carriages in backyards. Washing was drying on verandahs or in front of barns, lines of black, navy or purple dresses, pinuppers and broadfall trousers.

The mailboxes had biblical names: Aaron, Ruth, Moses and Jacob.

The nearest town, Intercourse, was unexpectedly busy. Shoppers scrutinised carved wooden cabinets

and \$500 patchwork quilts. As the Amish do not use electricity, some of the stores were lit by gas lamps. Some shops had signs saying "Please, no photographs." Locals get fed up with visitors staring.

By 5pm it was time for the second milking of the day. "This is a dairy farm," Mel explained, getting the milking machine into position.

"Eighty-four acres," he added, attaching metal teats to a cow's udders. "All the corn we grow is used to feed the cattle."

When not tending the farm, the Ebys help out at church and run

errands for their Amish neighbours.

In the kitchen, Joyce was feeding Melody a plate of mashed carrot and potato. Melody, I discovered, had a rare enzyme deficiency preventing the body from assimilating protein and causing improper formation of bones and muscles. Their first child, Jerry, also had this condition and died, 12 years ago, at the age of 16.

"The Mennonite faith is a way of life rather than a religion," Joyce said. "It helps us in accepting things, particularly Melody. Many people would allow themselves to

be wiped away by this." She looked at her daughter fondly.

"Our fellowship is very supportive but I also found that writing about Jerry and Melody helped."

Pequea farm offered only bed and breakfast so Joyce suggests the "Good 'N Plenty" restaurant in Smoketown for dinner. "Go through Bird-in-Hand and take a left. You can't miss it."

After buying a ticket, I waited to be communally seated at one of the rows of tables in a cavernous dining hall. The first course was homemade bread, apple sauce, apple butter, pickled cabbage, cottage cheese, whipped butter, chicken dip and chow chow (pickled vegetables). This was followed by ham, fried chicken, beef stew, buttered noodles, mashed potatoes, green beans, creamed corn and bread stuffing. One of the five puddings was a pie made from molasses and brown sugar. Plain home cooking, and lots of it, for \$14.

Afterwards in bed, I read Joyce's article. "God knew our frames and he promised not to give us more than we could bear," she wrote. "It was this promise that saw us through the month's of Jerry's severe suffering before his death."

The next morning, in spite of my agnostic views, I joined the Eby family at their Mennonite Church in Paradise. Joyce was almost unrecognisable in a smart red jacket, black skirt and lace prayer cap. Mel had exchanged his working clothes, wellington boots and cap for a jacket and tie.

The service was simple. Hymns were sung unaccompanied. Older women in the congregation wore white muslin prayer caps and pinuppers. Although there are subtle differences in dress, many people mistake Old Order Mennonites for the Amish, especially since both use buggies for transport. But within the Mennonite community there is a division between traditional "plain" or modern "fancy" clothing.

Back in the kitchen, over a plate of French toast, Joyce smiled at the thought of being "fancy" and fetched a photograph: eight children, including Joyce, frame their parents – father stern in a dark lapel-less suit; mother smiling in high-necked dress, white cap and black tie strings.

"If you set me up against my mother, I'm liberal," Joyce said. "but against my peers, for example in church wearing my prayer cap, then I'm conservative."

I apologised for asking endless questions but Joyce cheerfully dismissed any worries. "I always thought I allowed people into my home because of my personality," she said. "But now I think it's to let people see our way of life."

HOLIDAYS & TRAVEL

FLIGHTS

NEW KNOCK OUT FARES
to
SWITZERLAND.
on regular Swissair flights
Contact your travel agent
or call us now on:
0345 - 662233

swissair

frequent flyer
THE NUMBER 1 AGENCY
FOR ECONOMY, FIRST & BUSINESS
CLASS TO THE USA AND FAR EAST
ENORMOUS SAVINGS ON
ANY ROUTING FOR THE
BUSINESS AND LEISURE TRAVELLER
CALL US NOW ON:
0171 486 3895
FAX: 0171 224 3628
14A MARYLEBONE HIGH STREET
LONDON W1P 5PD
0171 493 0021

THE FRENCH DIRECTORY

The French
Accommodation
Guide for the
Independent Traveller

For your free copy call:
0113 281 9205
or Fax 0113 256 4211
ABTA 56044

HAYMEN ISLAND/AUSTRALIA

Australia

Sydney, Reef and Rainforest

HAYMAN

Great Barrier Reef

Exclusive 14 day package in Cairns, Haymen Island and Sydney from just £1698 per person. Departures every day from 1 May to 20 August 1995. Price includes economy flights, 3 nights Silky Oaks Lodge with transfers, breakfast and full day Reef tour, 4 nights Haymen Island with buffet breakfast, and 3 nights at the Ritz-Carlton in Sydney. This Package is fully flexible and can be tailor-made to suit your own personal needs.

For a brochure on this special holiday,
call the exclusive agents - Travel Portfolio on
(01284) 762255
Fax: (01284) 769011

SAFARI

ZIMBABWE

TANZANIA BOTSWANA ZAMBIA & NAMIBIA

TAILORMADE SAFARIS

Luxurious remote lodges, walking, canoeing, riding and vehicle safaris with the very best guides and equipment. Adventures with comfort. Call us to create your ideal safari.

Phone: John Sundett on (0894) 28979

For a brochure on this special holiday,
call the exclusive agents - Travel Portfolio on
(01284) 762255
Fax: (01284) 769011

TANZANIA

The snows of Kilimanjaro, the lions of Zanzibar and the white sandy beaches of the Indian Ocean.

Phone: 0181-553 4434 anyone to discuss your ideas for your holiday.

68 Old Brompton Road, SW7 3LO

Tel: 0181 591 0308
Fax: 0181 591 0301

GERMANY

TRAVEL

RETURN AIRFARE

DIRECT

ECONOMY

SPECIAL

INTEREST

GROUSE

SKIING

SINGLET DON'T HOLIDAY ALONE

JOHN'S TRAVEL

THE IRISH SELECTION

IRELAND

EDUCATION

CARIBBEAN

CARIBBEAN on British Airways

A choice of holidays at first class resorts

Rex Halcyon Cove Antigua

Rex Grenadian Grenada

Rex St. Lucian St. Lucia

7nts £499

Dep. LGW May & June

Weekend supl. £30

FREE BA domestic flights

Brochure Conditions apply

See your travel agent or call

CALL 0181-748 5250

HAYES and

HAYES

ONE OF THE FEW GENUINE WATERFRONT HOTELS
THE IDLE ROCK
ST MAMES • CORNWALL
 Waters edge location in this quiet, picturesque village, in an area of outstanding natural beauty. Tranquillity and privacy. 2 AA RED ROSES FOR EXCELLENT FOOD & SERVICE. AA 4 CROWN HIGHLY COMMENDED. For Brochures/Reservations Tel: 01326 270771 or Fax: 01326 270662

The Castle Inn

 Castle Combe, Nr Chippenham, Wiltshire SN15 5QZ. Tel: 01249 783030. A 2 AA RED ROSES HIGHLY COMMENDED. Enjoy a two night break at this 12th Century Cotswold inn with 7 charming en-suite bedrooms, each with a jacuzzi. Award winning restaurant and renowned hospitality. From £295.00. Sunday dinner. Thursday from £115.00 Friday & Saturday for £135.00. Bed & breakfast £125.00 including VAT. Tel: (01249) 783030. Details from brochure.

The Clifton Hotel
6 AA 4 CROWN HIGHLY COMMENDED
FOLKSTONE'S PREMIER HOTEL
 Elegant Regency-Style cliff top hotel. 80 bedrooms en-suite, satellite TV, welcome tray, telephone, radio. CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT. EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist. Telephone: (01303) 851231

Buxted Park
12 COUNTRY HOUSE HOTEL
 Magnificent Georgian Mansion full of warmth and character set in hundreds of acres of beautiful parkland. SPECIAL EASTER BREAK 14 April 3 nights DB&B £225 per person inclusive of VAT and use of our health club. PLEASE PHONE FOR BROCHURE Buxted, Uckfield, East Sussex. Tel: 01825 732711

The Blakeney Hotel
AA 4 CROWN HIGHLY COMMENDED
 Blakeney, Nr Holt, Norfolk NR25 7 NE. Traditional, privately owned, friendly hotel overlooking National Trust Harbour. 60 bedrooms all en-suite with colour TV & phone. Heated indoor pool, spa bath, sauna & mini-gym. Comfortable lounge, cocktail bar & gardens. Visit the village, salt walk, beach, play golf & visit historic places like Cromer, the Norfolk villages, countryside & coast. Midweek & Weekend Breaks. Special 4 & 7 Day Holidays. Brochure: 01263 740797

ELIZABETH 18/18a
LONDON & APARTMENTS
37 ECCLESLEY SQUARE, VICTORIA, LONDON SW1V 1PB. Tel: 071-828 6812
 Friendly, private, peaceful, central location overlooking the famous gardens of state residential square, close to Belgrave. Comfortable Singles. Double/Twins from £50.00 and Family Rooms from £75.00 including good ENGLISH BREAKFAST & VAT. Also self-catering studio apartments (min. let 3 months). COLOUR BROCHURE AVAILABLE. Egon Ronay/RAC Recommended

The Bay Hotel
21 COVERACK • CORNWALL
 Never heard of it - well we would not expect you to. It's a quiet, comfortable hotel overlooking the bay in an uncommercialised Cornish fishing village on England's most southerly point. The Lizard Peninsula an area of outstanding natural beauty. The real Cornwall where time has stood still. The climate is mild and the local folk friendly, sociable and no longer your forefathers. We are a quiet, comfortable relaxing quiet holiday. ETB 3 CROWNS HIGHLY COMMENDED BROCHURE - TELEPHONE 01326 280464

Peter Hall
22
NOMINATED BY THE AA
 as one of 'The most romantic Hotels in Britain'. Renowned for its outstanding cuisine, fine wines and personal service. M1 (exit 28) 20 minutes. Recommended by all leading Guides. Telephone Matlock (01629) 582795

GREYWALLS HOTEL

GULLANE
 EAST LOTHIAN
 SCOTLAND

EASTER LUXURY AT A BARGAIN RATE

TWO FOR THE PRICE OF ONE!

A long weekend with nothing special planned? Why not come to Greywalls and enjoy excellent food, comfortable rooms, attentive service, long walks on empty beaches - and chocolate and champagne!

Our Easter rate is a very special £350 per couple for 3 nights dinner, bed and breakfast.

Greywalls is a delightful, Edwardian House, designed by Sir Edwin Lutyens, surrounded by golf courses, wonderful beaches and marvellous countryside and only 20 miles from Edinburgh.

AA*** (Red) Good Food Guide

Tel: 01620 842144

THE ANCHOR

HOTEL • RESTAURANT • BARS
 WALBERSWICK • SUFFOLK • IP16 5UA

Tel: 01502 722112 • Fax: 01502 722253

Tired, weary, frustrated and in urgent need of a few days not away from the bustle of the city? Then the place to be is The Anchor. This small hotel situated in the heart of the village of Walberswick with sea, river and marshes offers simple unobtrusive service with delicious food and Adams award winning beers and wines. Eight simply furnished spacious garden rooms, a short walk through the garden, across the dunes to the sea shore, together with five bedrooms of varying sizes in the main building, combine to provide a haven in which to recover your peace of mind. Whether at this time of the year you visit this unspoilt region of Suffolk, Call 01502 722112 to make a reservation or request our Adams Hotel brochure.

From £295.00. Sunday dinner. Thursday from £115.00 Friday & Saturday for £135.00. Bed and breakfast £125.00 including VAT. Tel: (01249) 783030. Details from brochure.

AA 4 CROWN HIGHLY COMMENDED

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

CLIFTON WEEKEND BREAKS 2 nights B&B £85 pp 2 nights B&B £95 pp 3 nights B&B £105 pp including VAT.

EASTER FESTIVITIES 3 nights Dinner B&B £160pp includes Traditional Sunday Lunch, Afternoon Tea & an Easter Egg. Resident Pianist.

Telephone: (01303) 851231

AA 4 CROWN HIGHLY COMMENDED

INTERNATIONAL ARTS GUIDE

What's on
in principal
cities

■ AMSTERDAM

GALLERIES

■ *Vondelpark*: historical Tel: (020) 626 9945

Taking a Stand: exhibition shows the work of two artists, Ralph Prins and Felix Nussbaum, to commemorate the 50th anniversary of the liberation. Nussbaum was killed in Auschwitz. Prins was one of the survivors of the Theresienstadt camp; to May 7. Tel: (020) 673 2121. *Ukiyo-e*: the finest Japanese prints; to May 28. Tel: (020) 5732 9111. *Alta: The Essence of Beauty*: exhibition marking the development and design of Alfa Romeo cars from the early part of this century to the most recent models; to Apr 2.

■ BERLIN

GALLERIES

■ *Alte Museum* Tel: (030) 203 55 00

Monet and Germany: exhibition of early works by Norwegian artist Edvard Munch and German artists influenced by him; to Apr 23.

■ *Deutsches Historisches* Tel: (030) 215 020

■ Art from the GDR 1949-1990: politically compromised art in the old German Democratic Republic; to Apr 18.

■ Pictures and References to German History: more than 2,000 paintings, coins, materials and other artefacts that document the history of Germany; to Dec 1 (Not Sun).

■ *Neue Nationalgalerie* Tel: (030) 265 2653

George Grosz, Berlin-New York: exhibition of the German Dadaist who emigrated to the US; to Apr 17.

■ OPERA/BALLET

■ *Deutsche Oper* Tel: (030) 343 84 01

■ *Der Fliegende Holländer*: by Wagner. Conducted by Heinrich Hollreiser, production by Gustav Rudolf Selmer; 7.30pm; Apr 2.

■ *L'Italiana in Algeri*: by Rossini. Conducted by Ion Marin/Carlo Rizzi, produced by Jérôme Savary; 7.30pm; Apr 5, 8.

■ *Lucia di Lammermoor*: by Donizetti, conducted by Marcello Viotti and produced by Filippo Sanjust; 7.30pm; Apr 1, 6.

■ *The Girl of the Golden West*: by Puccini. A new production conducted by Paolo Olmi and produced by Frank Corsaro. Soloists include Galina Kalinnik and George Fortune; 7.30pm; Apr 7.

■ *Siegfried*: Under the Linden Tel: (030) 2 00 4762.

Der Rosenkavalier by Strauss.

Nicolas Brézé directs this new production. Sets are designed by Helmut Seiter. Donald Runnicles conducts; 8.30pm; Apr 4, 8.

■ BOLONNA

■ OPERA/BALLET

■ *Teatro Comunale* Tel: (051) 525 999

■ *Turco in Italia*: by Rossini. A new production directed by Evelino Pidò; 8.30pm; Apr 5 (4pm), 7 (4pm).

■ BONN

GALLERIES

■ *Kunst und Ausstellungshalle* Tel: (0228) 3171 228

■ Under the Volcano Antique

Masterpieces: second in the "Great Collections Series", a modern "excavation" from among the 200,000 works of the Museo Archeologico Nazionale di Napoli; that includes statues, frescoes and ceramics; to Jan 5 (Not Mon).

■ Russian Museum of St

Petersburg: third in "The Great Collections Series". The museum in St Petersburg houses a collection of 500,000 works from which 500 works have been selected to represent 500 years of Russian art and culture; from Apr 7 to Aug 13 (Not Mon).

■ BRUSSELS

■ OPERA/BALLET

■ *Des Monts et le Monnale* Tel: (02) 245 22 11

Wozzeck by Berg. Conducted by Léon Zagorsk, produced by Hans Neuenfels; 8pm; Apr 2.

■ DUSSELDORF

GALLERIES

■ *Kunsthalle* Düsseldorf

Surrealism in Spain: 200 paintings,

sculptures, drawings and

photomontages by the likes of Dali, Miró and Picasso. The roles played

by regions of Spain in the

development of the Surrealist

movement and includes many works

that were concealed during the

Spanish Civil War; to Apr 17.

■ GENEVA

GALLERIES

■ *Art et Histoire* Tel: (022) 311 43

■ Monet: the Marmonthals donation

to May 7.

■ *Centre d'Art Contemporain* Tel:

329 18 42

They Oursel: installation by the artist;

16 May 28.

■ LONDON

CONCERTS

■ *Barbican* Tel: (0171) 638 8891

■ *Berney Douglas*: pianist plays

Beethoven, Chopin and Schubert;

4pm; Apr 2.

■ *Manier Festival* Part 2: Michael

Tilson Thomas conducts the London

Symphony Orchestra and pianist

Dame Moura Lympany to play

Tchaikovsky, Weber and Mahler;

7.30pm; Apr 2.

■ *The Four Seasons*: Jan Watson



Egon Schiele from the Klimt-Kokoschka-Schiele exhibition at Fundación Juan March in Madrid

conducts the English Chamber Orchestra to play Bach, Mozart and Vivaldi; 8pm; Apr 1.

■ *Queen Elizabeth Hall* Tel: (0171) 928 8800

■ *Handel: Messiah*: Hilary Davan Wetton conducts the City of London Choir, soprano Jennifer Perry and Robin Blaze; 7.45pm; Apr 2.

■ *New London Consort*: Philip Pickett directs Locke's "Psyche"; 7.45pm; Apr 6.

■ *Royal Festival Hall* Tel: (0171) 928 8800

■ *Der Fliegende Holländer*: by Wagner. Conducted by Heinrich Hollreiser, production by Gustav Rudolf Selmer; 7.30pm; Apr 2.

■ *L'Italiana in Algeri*: by Rossini. Conducted by Ion Marin/Carlo Rizzi, produced by Jérôme Savary; 7.30pm; Apr 5, 8.

■ *Lucia di Lammermoor*: by Donizetti, conducted by Marcello Viotti and produced by Filippo Sanjust; 7.30pm; Apr 1, 6.

■ *The Girl of the Golden West*: by Puccini. A new production conducted by Paolo Olmi and produced by Frank Corsaro. Soloists include Galina Kalinnik and George Fortune; 7.30pm; Apr 4, 7.

■ *Siegfried*: Under the Linden Tel: (030) 2 00 4762.

Der Rosenkavalier by Strauss.

Nicolas Brézé directs this new

production. Sets are designed by

Helmut Seiter. Donald Runnicles

conducts; 8.30pm; Apr 4, 8.

■ BOLONNA

■ OPERA/BALLET

■ *Teatro Comunale* Tel: (051) 525 999

■ *Turco in Italia*: by Rossini. A new

production directed by Evelino Pidò;

8.30pm; Apr 5 (4pm), 7 (4pm).

■ BONN

GALLERIES

■ *Kunst und Ausstellungshalle* Tel:

(0228) 3171 228

■ Under the Volcano Antique

Masterpieces: second in the "Great

Collections Series", a modern

"excavation" from among the 200,000

works of the Museo Archeologico

Nazionale di Napoli; that includes

statues, frescoes and ceramics; to

Jan 5 (Not Mon).

■ Russian Museum of St

Petersburg: third in "The Great

Collections Series". The museum in St

Petersburg houses a collection of

500,000 works from which 500 works

have been selected to represent 500

years of Russian art and culture; from

Apr 7 to Aug 13 (Not Mon).

■ BRUSSELS

■ OPERA/BALLET

■ *Des Monts et le Monnale* Tel: (02) 245 22 11

Wozzeck by Berg. Conducted by

Léon Zagorsk, produced by Hans

Neuenfels; 8pm; Apr 2.

■ DUSSELDORF

GALLERIES

■ *Kunsthalle* Düsseldorf

Surrealism in Spain: 200 paintings,

sculptures, drawings and

photomontages by the likes of Dali,

Miró and Picasso. The roles played

by regions of Spain in the

development of the Surrealist

movement and includes many works

that were concealed during the

Spanish Civil War; to Apr 17.

■ GENEVA

GALLERIES

■ *Art et Histoire* Tel: (022) 311 43

■ Monet: the Marmonthals donation

to May 7.

■ *Centre d'Art Contemporain* Tel:

329 18 42

They Oursel: installation by the artist;

16 May 28.

■ LONDON

CONCERTS

■ *Barbican* Tel: (0171) 638 8891

■ *Berney Douglas*: pianist plays

Beethoven, Chopin and Schubert;

4pm; Apr 2.

■ *Manier Festival* Part 2: Michael

Tilson Thomas conducts the London

Symphony Orchestra and pianist

Dame Moura Lympany to play

Tchaikovsky, Weber and Mahler;

7.30pm; Apr 2.



Peter Aspden

Symphonies for swinging lovers

Music's charms are being savaged by record company compilations playing to crude marketing values

There is a strong, vital relationship between music and romance. There is first-kiss music, seduction music, wistful, whatever-happened-to-our-love music, music to drown the pain of rejection, music to celebrate a 25th wedding anniversary; there must even be music to which one can examine the fibres of the Bank of England carpets (suggestions, please, on a postcard).

The swelling strings and plaintive piano sonatas of our greatest composers have all been pressed into service at one time or another, adding that much-needed touch of culture to what can be, let's face it, a rather base moment or two.

The record companies have not

been slow to wake up to the commercial potential of this. We have had *Classic Weepies*, *Classic Sirenes*, *Classical Ecstasy*, ("Exploring the Tingle Factor") and, of course, *Sensual Classics*, *One Too*, and now *Too*. Yes, it is a little confusing. *Sensual Classics*, *Too*, released this week by Warner Classics, is a slightly different compilation from the rest - it is aimed for, and aimed at, gay men.

Whether gay couples respond to different music to heterosexual couples is a topic which is being hotly debated," reports Bill Holland, the general manager of Warner Classics UK.

So let us join the debate and turn to the evidence: kicking off the collection is Tchaikovsky's "Andante

course, which apparently goes a bundle in the gay community but also makes it on to *Classic Weepies* (which is not gender-specific) and famously served as the background music to that heady love scene between Robert Redford's khaki jacket and Meryl Streep's Danish dress in *Out of Africa*.

But all was explained when I noticed that the very same piece of music was also on *Sensual Classics*, *Too* (as opposed to *Too*). Clearly, I had stumbled across an irrepressible, six minutes and 35 seconds of pure fire, capable of igniting any sexuality at all. Perhaps it ought to be banned?

On we go: track two, Beethoven's *Pathétique* Piano Sonata, an interesting comparison here with Tchaikovsky's *Pathétique* Symphony, which appears on *Too* (as opposed to *Too*). Then to the nitty-gritty: Mozart's Clarinet Concerto, of

(theme tune to the slow-motion blowing away of the Vietcong in *Platoon*).

Now there are interesting points to be made about music and sexuality. They are thrillingly explored in Wayne Koestenbaum's lucid and learned *The Queen's Throat*, in which he deftly analyses the often-marked affinity of gay men for opera (and particularly Maria Callas, she of the "Happily High C" through which the Egyptian Army could have marched). But I can't help feeling that *Sensual Classics*, *Too* is nothing but a politically correct marketing ploy made.

The effect of music on the senses is perhaps the most mysterious and under-explored aspect of

human psychology. To reduce it to this kind of money-making parlour game borders on the insulting. If the record company wants to advertise that it has gay employees and gay customers, let it do so without the pretence of stimulating some kind of sophisticated intellectual debate.

In the meantime, why don't all the companies get together round a table and declare a moratorium on these absurd compilations? They could then concentrate on bringing out pieces of music with a slow hit, a fast hit, a medium hit, designed to appeal to all ages, all colours, all sexual orientations. They are called symphonies, concertos and sonatas, and there are a fair few good ones about.

Today we turn the tables

Max Wilkinson demonstrates how to handle the UK's most controversial interviewer...

M W: John Humphrys, good morning. Thank you for coming over from the BBC for this interview. You are in serious trouble aren't you?

JH: I wouldn't say...

MW: I am sure you wouldn't, Mr Humphrys. The truth is that they took you off the air for being rude to the Chancellor and for being prejudiced against Conservative ministers, didn't they?

JH: Oh no, not at all...

MW: Come, come. We switched on our radio at the start of the week to listen to the *Today* programme, and you weren't there.

JH: I was having a couple of days off...

MW: You are surely not going to deny that you have caused deep embarrassment at the BBC.

JH: Absolutely not. This is just Tory paranoia.

MW: *Paranoia*? That is not a pretty word, Mr Humphrys. What is being said is that you embarrassed the BBC deliberately to get your own back on John Birt, the director general, after his speech a month ago condemning aggressive interviewers such as you.

JH: What do you mean? "Being said..." By whom?

MW: Well, for a start, Tony Hall, the head of BBC news and current affairs, publicly attacked you this weekend for your outside political activities.

JH: He did not attack me. Far from it. What he actually said...

MW: Come on. That was a public rebuke if ever I heard one.

JH: But...

MW: Just a minute; let me tell you what he said. He said that he thought you should not have chaired that meeting on education in Central Hall Westminster when no Tories were present.

JH: I hardly think that counts as an attack...

MW: The fact is, the BBC is split down the middle over this, isn't it? Can you tell us how long this bad factor is going to last?

JH: First, can I make it quite clear that there was nothing political about my attendance at that meeting. I was there purely as a professional to chair...

MW: Ah! So what you are now saying is that it wasn't political bias; did you just do it for money?

JH: That's outrageous. I am perfectly entitled...

MW: Entitled, perhaps, but Mr Humphrys, do you think it is morally right to take thousands of pounds, on the side, from the private sector, when you are being paid a reputed six figure salary by the biggest quango in the land?

JH: Not many people would call the BBC a quango.

MW: Let's not argue about definitions. The fact is that while you were earning this very big sum, the BBC was sacking workers under the producers' choice reforms; is that not so?

JH: This is just preposterous. And I am certainly not going to tell you what I earn.

MW: Why not? Practically every day you are haranguing some utility chairman or other about the size of his remuneration package. Come, now: do you earn more or less than Cedric Brown, chairman of British Gas?

JH: For heaven's sake!

MW: But don't you see, Mr Humphrys, what people are saying is...

JH: If you would stop interrupting me, perha...

MW: Interrupt! Surely as a professional you know... let me finish... it is one's duty... no, no, you can have your say in a minute... You yourself... Please, Mr Humphrys, just a moment... you interrupted the Chancellor 32 times the other week.

JH: I was only trying to stop him talking about Consett.

MW: Oh no. So you wanted to help a Tory minister! Surely you are not trying to pretend now that you take orders from Downing Street.

JH: Of course not.

MW: All right, but what about Jeremy Handley, the Tory Party chairman? Has he been leaning on you?

JH: I do have a mind of my own, you know.

MW: Indeed you do. And isn't this what all the row is about? I put it to you that what you are really trying to do is infiltrate your own prejudices on to the Today programme.

JH: If I may get a word in edge-ways, it is my job as a journalist to give government ministers a hard time.

You, on the other hand, have conducted a disgracefully biased and intrusive interview. If such feeble nonsense is what the FT and its Tory friends want, then frankly you deserve each other.

MW: At the last general election, Mr Humphrys, we advised our readers to vote for Labour.

JH: You did?

MW: We did indeed.

JH: I apologise.

Yes, there are degrees of murder

Lord Lane, the former Lord Chief Justice, explains why the mandatory life sentence should be scrapped

On a conviction for murder, the judge has no option but to pass a sentence of life imprisonment on the offender. Recent events have highlighted the unfortunate results of this law.

The case of Private Lee Clegg is one example. It seems that this young soldier fired a number of shots at a car after it had been driven through the checkpoint at which he and others were posted, killing one of the passengers in the vehicle. He was tried in Northern Ireland before a "Diplock Court" - by judge alone without a jury - and was convicted of murder. The judge duly passed a sentence of life imprisonment.

It is lawful to kill when acting in personal self-defence but that, it seems, was not what Pte Clegg was doing. That being so, on the evidence before him, the judge had no option but to pronounce the verdict and sentence, which he did. In circumstances such as these it is sometimes said that a jury has a right to return a perverse verdict. In this case, it might have been manslaughter or acquittal. The judge in a Diplock court has no such privilege.

It is not surprising that there has been an outcry at such a sentence when it seems, at least on the available evidence, that the whole event happened in a matter of seconds and that Clegg was faced with making an instant decision in very difficult circumstances.

On any view, life imprisonment in a case such as this cannot possibly mean what it says. The judge is required to perform a charade.

If this had been a court in England, and if the judge had been permitted to say what he really meant, the result might have been something like this:

"You stand convicted of murder. I am compelled by law to sentence you to imprisonment for the rest of your life. Let me explain what that means. I have heard all the evidence and what has been said by counsel on your behalf. If I had been allowed to decide on the proper sentence, it would have been a short term of imprisonment at the worst. As it is, although I shall submit my views to the Home Secretary, it is quite likely to disregard them, and to increase the length of sentence I recommended."

"Your fate will be decided behind closed doors by someone at the Home Office, probably a junior minister, and certainly someone who has not been present during these proceedings, acting on advice from we know not whom, or we know not what facts, and possibly influenced by we know not what political considerations. It is doubtful whether you will have any rights of appeal."

In 1983, Leon Britton, then Home Secretary, announced a number of changes which he proposed to make in the practice to be adopted on the release of life prisoners.

He said: "These new procedures will separate consideration of the



Lord Lane: not surprised at the public outcry over Private Clegg's sentence

to increase the penal or "tariff" period the period imposed to satisfy requirements of punishment and deterrence) and, secondly, he claimed the right to keep a prisoner in custody after the end of the tariff period even though that prisoner no longer represented a danger to the public, if he considered that release would "not be acceptable to the public".

Leaving aside the objection that the views of the Home Secretary on what would be "acceptable to the public" should not form the basis of a prisoner's length of detention, there is a more fundamental reason for rejecting the Howard/Rumbold views.

The Clegg-type case and "mercy killing" are two examples which demonstrate that the definition of murder covers a wide range of human behaviour from, at one extreme, the terrorist destruction of an aircraft with hundreds of victims and the cold-blooded killing of a policeman or bystander by a robber intent on escape to, at the other extreme, mercy killing.

Unhappily, it is the really wicked murders which attract the headlines and on which public opinion is based. It may be that recent events will restore a more balanced view.

It may be imagination, but there are indications that there is a retreat from "uniquely heinous" and "a crime of such gravity" to another position. That position is "accountability".

The Home Secretary, it is said, is and should remain accountable to Parliament for the proper punishment of murderers in a way that judges (so goes the argument) are increased by Home Office officials not "accountable" is one of those words which sound impressive but the desired discretion, but often leaves the victim's family bewildered and certainly does no good to the law's image.

They would cut drastically the number of life-sentence prisoners - a recent study shows that the UK has more life sentence prisoners than the rest of the European Union put together. They would reduce the vast amount of work which is caused by these 3,000 inmates to the prison staff and others. They would avoid the unhealthy and potentially unconstitutional blurring of the boundaries in this area between executive and judiciary.

They would relieve judges from having to go through a misleading ritual and spare themselves from having to give less than convincing reasons for refusing a change. They would do away with the unseemly practice which, it seems, become more prevalent over recent years, of penal terms or tariffs recommended by the trial judge being increased by Home Office officials whose motivation and appreciation of the facts may be suspect.

What the politicians fail to recognise is that, by making the life sentence for murder discretionary they would at a stroke do away with the need for knee-jerk legislation to cater for special circumstances such as agony-of-the-moment cases, mercy killings, long-term "provocation" and cases of excessive use of force in self-defence. They would do away with the temptation to accept pleas of guilty (inappropriately) to manslaughter or attempted murder rather than the full offence of murder, a course which gives the court the desired discretion, but often leaves the victim's family bewildered and certainly does no good to the law's image.

They would cut drastically the number of life-sentence prisoners - a recent study shows that the UK has more life sentence prisoners than the rest of the European Union put together. They would reduce the vast amount of work which is caused by these 3,000 inmates to the prison staff and others. They would avoid the unhealthy and potentially unconstitutional blurring of the boundaries in this area between executive and judiciary.

They would relieve judges from having to go through a misleading ritual and spare themselves from having to give less than convincing reasons for refusing a change. They would do away with the unseemly practice which, it seems, become more prevalent over recent years, of penal terms or tariffs recommended by the trial judge being increased by Home Office officials whose motivation and appreciation of the facts may be suspect.

What the politicians fail to recognise is that, by making the life sentence for murder discretionary they would at a stroke do away with the need for knee-jerk legislation to cater for special circumstances such as agony-of-the-moment cases, mercy killings, long-term "provocation" and cases of excessive use of force in self-defence. They would do away with the temptation to accept pleas of guilty (inappropriately) to manslaughter or attempted murder rather than the full offence of murder, a course which gives the court the desired discretion, but often leaves the victim's family bewildered and certainly does no good to the law's image.

They would cut drastically the number of life-sentence prisoners - a recent study shows that the UK has more life sentence prisoners than the rest of the European Union put together. They would reduce the vast amount of work which is caused by these 3,000 inmates to the prison staff and others. They would avoid the unhealthy and potentially unconstitutional blurring of the boundaries in this area between executive and judiciary.

They would relieve judges from having to go through a misleading ritual and spare themselves from having to give less than convincing reasons for refusing a change. They would do away with the unseemly practice which, it seems, become more prevalent over recent years, of penal terms or tariffs recommended by the trial judge being increased by Home Office officials whose motivation and appreciation of the facts may be suspect.

What the politicians fail to recognise is that, by making the life sentence for murder discretionary they would at a stroke do away with the need for knee-jerk legislation to cater for special circumstances such as agony-of-the-moment cases, mercy killings, long-term "provocation" and cases of excessive use of force in self-defence. They would do away with the temptation to accept pleas of guilty (inappropriately) to manslaughter or attempted murder rather than the full offence of murder, a course which gives the court the desired discretion, but often leaves the victim's family bewildered and certainly does no good to the law's image.

They would cut drastically the number of life-sentence prisoners - a recent study shows that the UK has more life sentence prisoners than the rest of the European Union put together. They would reduce the vast amount of work which is caused by these 3,000 inmates to the prison staff and others. They would avoid the unhealthy and potentially unconstitutional blurring of the boundaries in this area between executive and judiciary.

They would relieve judges from having to go through a misleading ritual and spare themselves from having to give less than convincing reasons for refusing a change. They would do away with the unseemly practice which, it seems, become more prevalent over recent years, of penal terms or tariffs recommended by the trial judge being increased by Home Office officials whose motivation and appreciation of the facts may be suspect.

What the politicians fail to recognise is that, by making the life sentence for murder discretionary they would at a stroke do away with the need for knee-jerk legislation to cater for special circumstances such as agony-of-the-moment cases, mercy killings, long-term "provocation" and cases of excessive use of force in self-defence. They would do away with the temptation to accept pleas of guilty (inappropriately) to manslaughter or attempted murder rather than the full offence of murder, a course which gives the court the desired discretion, but often leaves the victim's family bewildered and certainly does no good to the law's image.

They would cut drastically the number of life-sentence prisoners - a recent study shows that the UK has more life sentence prisoners than the rest of the European Union put together. They would reduce the vast amount of work which is caused by these 3,000 inmates to the prison staff and others. They would avoid the unhealthy and potentially unconstitutional blurring of the boundaries in this area between executive and judiciary.

They would relieve judges from having to go through a misleading ritual and spare themselves from having to give less than convincing reasons for refusing a change. They would do away with the unseemly practice which, it seems, become more prevalent over recent years, of penal terms or tariffs recommended by the trial judge being increased by Home Office officials whose motivation and appreciation of the facts may be suspect.

What the politicians fail to recognise is that, by making the life sentence for murder discretionary they would at a stroke do away with the need for knee-jerk legislation to cater for special circumstances such as agony-of-the-moment cases, mercy killings, long-term "provocation" and cases of excessive use of force in self-defence. They would do away with the temptation to accept pleas of guilty (inappropriately) to manslaughter or attempted murder rather than the full offence of murder, a course which gives the court the desired discretion, but often leaves the victim's family bewildered and certainly does no good to the law's image.

They would cut drastically the number of life-sentence prisoners - a recent study shows that the UK has more life sentence prisoners than the rest of the European Union put together. They would reduce the vast amount of work which is caused by these 3,000 inmates to the prison staff and others. They would avoid the unhealthy and potentially unconstitutional blurring of the boundaries in this area between executive and judiciary.

They would relieve judges from having to go through a misleading ritual and spare themselves from having to give less than convincing reasons for refusing a change. They would do away with the unseemly practice which, it seems, become more prevalent over recent years, of penal terms or tariffs recommended by the trial judge being increased by Home Office officials whose motivation and appreciation of the facts may be suspect.

FT MANAGED FUNDS SERVICE

* FT Cityline Offshore Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4376 for more details.

OFFSHORE AND
OVERSEAS

BERMUDA (SUB-REGULATED)

Offshore Fund
Regulation

FT MANAGED FUNDS SERVICE

• FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

OFFSHORE INSURANCES

٥٥١ من الأصل

Weekend Investor

Wall Street

Higher growth spooks the bulls

Maggie Urry detects signs that the Dow's climb has finally run out of steam

Is the bull market on Wall Street finally running out of steam? The Dow Jones Industrial Average has risen more than 350 points since the start of the year - taking it to nearly 4,200 during Wednesday's trading - with most commentators predicting a correction all the way up. Yesterday morning it briefly looked as if that correction was coming at last.

For some time Wall Street has been acting like a weather vane, shifting direction according to the latest economic statistics. If a figure suggested the economy was slowing, the market rose. But it has been a rather imperfect gauge of the wind, turning smoothly to the north when "good" news - such as a slowdown in retail sales or rise in unemployment - came, but not spinning so freely back again if "bad" news was released.

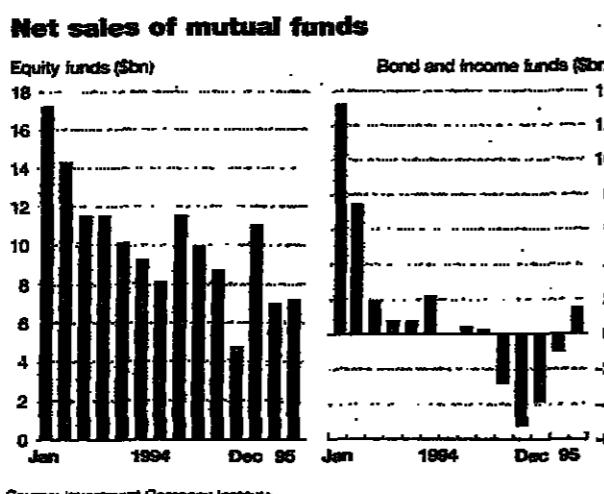
The market has been convinced that the Federal Reserve had set its monetary policy so finely that the overheating economy would slow sufficiently to prevent inflation without tipping into recession.

But when the commerce department revised its fourth quarter GDP figure sharply upwards yesterday morning it was as if someone had applied some oil to the vane's bearings. The market spun southwards.

In a sense, the fourth quarter figure for GDP growth - already high at an annual rate of 4.6 per cent before yesterday's revision to 5.1 per cent - should not matter much because in market terms the period it covers is ancient history. But it does mean that the task of the Fed is more difficult. It wants to slow GDP growth to about 2.5 per cent a year, a rate which it regards as non-inflationary and sustainable. It was difficult enough to apply the brakes to an economy speeding at 4.6 per cent, all the harder to one racing at 5.1 per cent.

The revised GDP figure suggests that the figure for the first quarter of this year, when it comes at the end of this month, might be higher than economists hope. That in turn could mean the Fed will increase short term interest rates again when its Open Market Committee meets in May, having left them unchanged at its meeting on Tuesday.

But every cloud has its silver lining, and faster economic growth should buoy corporate



profits. The compilation of forecasts by Institutional Brokers Estimate Service shows analysis expecting earnings for companies in the S & P 500 index to grow by 18 per cent in 1995 and 14 per cent in 1996.

That would increase the S & P 500's operating earnings per share from \$3.81 in 1994 to \$7.60 in 1995 and \$9.33 in 1996, bringing the market p/e down from 15.7 to 13.8 in 1995 and 11.6 in 1996. As so often, the strategists forecast much slower growth in earnings than do the analysts so those p/e's may turn out to be optimistic.

Private investors have been returning to the markets through mutual funds, as the chart shows. The declining trend in sales of both equity and bond funds appears to have turned, judging by figures released this week, encouraged by, and adding to, the gain in the stock market this year.

Another force which has been helping to push the stock-market higher is the drive by companies to "enhance shareholder value" through a restructuring, often a euphemism for breaking a company up before someone else does. At the risk of offending Prince Charles by making up a new word, the process could be dubbed "to ee-ess-vee".

This week has seen proposals from companies as diverse as The Limited, the fashion retailer, and James River, the paper and packaging group, to ee-ess-vee. Instant enhancement followed as their share prices rose.

The Limited's plan is to split its retail activities into three, keeping full control of one set, and placing the other two in distinct companies which

London

Bundesbank's ray of sunshine

Patrick Harverson assesses the German rate cuts

The Bundesbank has so often been cast in the role of economic villain (at least it has in

Britain) that it was a nice surprise to find the German central bank spreading a little sunshine throughout global financial markets this week.

Its decision on Thursday to lower the discount rate from 4.5 per cent to 4 per cent and the repurchase rate from 4.85 per cent to 4.5 per cent went down well on both sides of the Atlantic, primarily because it was so unexpected. The cut was especially warmly received in London, where shares rallied strongly in its wake.

After losing ground in the first three days of the week, the FT-SE 100 jumped more than 40 points when the edict from Frankfurt hit the screens. By the end of the day, the index was at a 1995 high. Unfortunately, the warm glow left by the German rate cut faded quickly. Yesterday the market retreated from its

highs, unsettled by a big early decline on Wall Street where strong economic figures temporarily revived fears of another increase in US interest rates.

Footsie ended down 38 points at 3,137.9, the losses dashing the hopes of those who believed the index had finally broken out of the trading range (2,950 to 3,150) in which it has been stuck for seven months.

Yesterday's declines aside,

from the City's point of view the Bundesbank's timing this week could scarcely have been better. The rate cut came a few days after the Federal Reserve's policy-making open market committee had decided to hold US interest rates steady, and a few days before the chancellor and the governor of the Bank of England were scheduled to review UK monetary policy at their regular monthly meeting.

Therefore once the Clarke-George summit ends on Wednesday, equity investors

will have had an opportunity

to get a close look at a rare policy triptych. Within a single week, the central banks of the US, Germany and the UK will have publicised their policy intentions, and in the process brought the global interest rates picture more clearly into focus.

By coincidence, the Bank of Japan also nudged interest rates this week, announcing on Friday that it was lowering its overnight money market lending rates in what was a modest easing but nevertheless symbolic.

Judging by events so far, the picture emerging is a relatively bright one. Monetary policy on three continents is either on hold or in the process of being eased, and the growing belief among analysts in leading markets that the current interest rate cycle is near or at its peak looks increasingly well founded.

This is good news for stock markets, particularly in London where the fear of another rise in rates has unsettled



Loosening the reins: Hans Tietmeyer, the Bundesbank president

investor sentiment lately.

Admittedly, this optimistic view assumes the UK chancellor and Bank of England's governor will decide next week to leave UK rates where they are. At the moment, there is little to suggest they will do otherwise.

There were some sell signals on a few individual stocks this week following unexpected bad news from two of the market's biggest names. On Monday, Inchcape issued a profits warning, its third since the beginning of 1994. The shares tumbled 22p to 278p after the international services and marketing group said its first-half profits this year would be significantly below last year's because of the poor outlook for car markets and the strength of the yen.

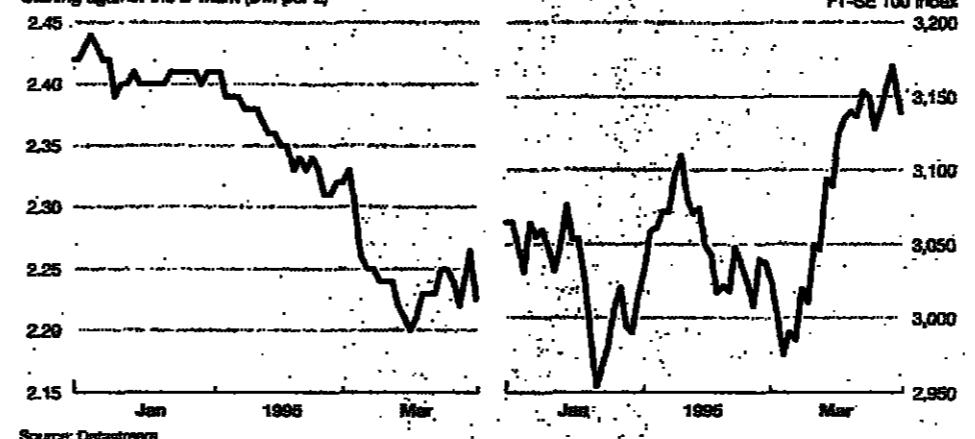
A few days later, shares in the building materials group Redland dropped almost 5 per cent to 445p after the company stunned the market by slicing a third off its dividend despite a jump in profits.

Redland's management was entitled to feel a little hard done by, considering that in the past it had been consistently criticised for paying an unsustainable dividend, but there was no sympathy from investors in income funds, who had understandably grown to love the stock.

However, there were a few big winners this week in the form of those lucky enough to be both a customer of the soon-to-merge Halifax and Leeds building societies and to live in the north west of England, where rebates from local electricity and water companies are in the pipeline. If you add the various payouts together, someone should be sitting on a nice sum thanks to the market's marvellous new mergers and privatisation game. Roll on.

Footsie shrugs off falling sterling

Sterling against the D-Mark (DM per £)



■ Highlights of the week

	Price	Change	on week	1994/95	1994/95	Currency worries
FT-SE 100 Index	3,137.9	-15%		3,220.3	2,976.5	Investor optimism
FT-SE Mid 250 Index	3,434.7	+15		4,152.8	3,300.9	Better than expected prelims
Amec	71	+9		164	56	Excellent prelims
Bowthorpe	335	+35		380	220	Shock over profits
Crude Int'l	331	-31		329	324	Bid speculation
Fisons	178	+12		181	103	Dividend passed
Jevey	146	-18		165	138	Recommendations after figures
Jupiter Tyndall	418	+25		419	246	Strauss "sell" advice
Next	233	+15		255.1	214	Bid speculation after SHV approach
Northern Foods	183	-11		271.4	183	Disappointment over figures
Nordin & Peacock	185	+14		222	125	Cuts dividend by one third
Pearson	561	-23		735	539	In bid talks
Redland	438	-21		640	414	US selling
Shavelink	207	+29		425	135	
SmithKline Beecham A	476	-35%		532	357.4	

Barry Riley

Past imperfect, future tense

The City is wary of Labour's approach to a changed economy

Stamp duty on share purchases will rise to 2 per cent. This is no April Fool's Day hoax, but was the provocative forecast Will Hutton (whose post-socialist book *The State We're In* is heading the non-fiction bestseller lists) offered this week to an investment conference organised by Smith New Court.

The stockbrokers were not greatly amused. But then, the City of London does not expect to enjoy the next Labour government. The Conservatives, after all, have cut stamp duty to 1/2 per cent and they promised to abolish it if the Stock Exchange ever got its Taurus electronic share settlement system (it didn't).

This parliament has a maximum of two years to run. With the Tories 40 points behind Labour in the opinion polls, accidents could happen much sooner. So it is time to start thinking about the Labour party's industrial and financial agenda. There are some very familiar themes: more investment, especially in manufacturing, and more long-term.

Past Labour industrial strategies have provided some grim landmarks. There was the National Plan in the 1960s, designed to crank up the economic growth rate to 4 per cent by encouraging civil servants to pick winners and allocate resources. Alas,

playing a numbers game. Who, except environmentalists, could possibly be against increased investment and accelerated growth? Yet Japan is an example of an economy crippled by over-investment.

The trouble is, when it comes to capital investment and research and development

manufacturers were regrouped around tottering cores such as British Leyland and Alfred Herbert. Money was poured into the commanding heights of industry, such as British Steel with its great new plants. Enormous political energy was expended on curiosities such as the doomed Meriden co-operative. The burden of taxes on successful enterprises became extreme, unless they found a path through the thicket of price controls, tax breaks and investment incentives.

Next time it will be different, but not necessarily better. Technology and global markets are developing even faster than in the 1960s and 1970s, so the economy is even less amenable to clumsy political intervention.

Embarrassingly, former national champions such as ICL and Rover Group appear to be doing much better under Japanese or German ownership than in Tony Benn's glory days.

Yet investment-driven

strategies are irresistibly attractive to politicians.

buoyant, and are approaching the best levels of the past few decades. Industrial and commercial companies recorded a financial surplus of £13bn last year (compared with a deficit of £22bn in 1990) and have repaired their stretched balance sheets. The supply side reforms of the 1980s are paying off: the number of days lost through strikes last year was the lowest since records began in the 1990s.

Where the Tories have spoiled things is through a disastrously unstable macroeconomic policy. This has forced companies to reduce their downside risks. Speculative investment in capacity for future growth has been dangerous. Survivors have concluded it is better to stay small and jack up prices when the occasional boom comes along.

Probably Labour would need to do nothing more than keep consumer demand relatively subdued and run a steady macroeconomic policy. But no doubt left-wing academics are itching to get their hands on the industrial microeconomy.

Manipulating institutional investors is bound to be high on the agenda; they are much more powerful than 30 years ago. Whether 2 per cent stamp duty and a tapered capital gains tax would really convert them from short-termists into caring "relationship" investors is another matter. In

any case a large and active stock market is one of Britain's strengths, particularly now the abuse of hostile takeover bids has been largely stopped by two key reforms: a new acquisitions accounting standard and greater linkage of executive remuneration to share values, which makes company bosses less eager to pay silly prices for other companies.

Market pressures are forcing big UK companies to manage themselves more effectively than happens in Germany or, most obviously, in the subsidy-ridden corporatist heaven (some might say hell) of France.

What the UK *ought* to envy is the medium-sized company sectors of countries such as Germany and Italy. Small British companies are simply waiting to sell out to a corporate giant. The City seeks to grow fast at the fees resulting from an endless cycle of floatations, takeovers and buyouts. Companies that stay independent may well create more economic growth in the long run - but they generate few fees.

A real April Fools theory is that Labour will devise a better framework for encouraging a British *Mittelstand* (or private company sector). But you never know, a 60 per cent income tax rate and a few new tax shelters might just do the trick.

THE COLVIN WOODS STRATEGIC DERIVATIVE

THE COLVIN WOODS DERIVATIVES FUND

The Colvin Woods Derivatives Fund is designed to provide effective diversification for traditional portfolios through the strategic use of derivatives. The fund's objective is to optimise returns for our clients by identifying potential gains in the global commodity, currency, equity and bond markets at an acceptable level of risk.

- A Balanced Combination of Specialist Traders
- Target Net Return 20-25%
- Controlled Application of Leverage
- Potential to Profit from Falling Markets

COLVIN WOODS

DERIVATIVES FUND LIMITED

<p